

BULLETIN

OF THE

National Association of Credit Men

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There has never been a time in the world's history calling for co-operation among business men in their credit affairs, such as we have today. Help your Association to grow in order that it may have the fullest possible power in giving stability to commerce. Send the National office names of concerns you would recommend as eligible for membership.

New Members Reported During February

Atlanta, Ga.

Brower Candy Co. H. J. McDonald..... Confectionery.
 Hunter, Joel & Co. Joel Hunter Accountants (Certified Public).
 Norris, Inc. W. J. Lowenstein..... Confectionery.
 Southern Adjustment Bureau.. Jos. J. Windle Insurance Adjusters.
 Strickland-Tillman Hardware Co. H. Y. Tillman, V.P.,
 Valdosta, Ga. Hardware.

Baltimore, Md.

Bronner, Marvel & Headley... W. E. Marvel Groceries and Produce.
 Robinson Bros. Maurice R. Robinson. Neckwear.

Boston, Mass.

Appleton, F. H., & Sons, Inc. Rubber.
 Bicknell & Fuller Paper Box Co. Charles E. Fuller,
 Treas. Boxes.
 Blacker & Shepard Co. Howard C. Morse,
 Secy. Lumber.
 Briggs, John, & Co., Inc. George J. Beake,
 Secy. Paints and Oils.
 Federal Trust Company. J. C. Heyer,
 Vice-Pres. Banking.
 Harney, P. J., Shoe Co. J. B. Earp,
 Lynn, Mass. Boots and Shoes.
 Holbrook, W. H., Co. E. D. Gourd, Treas. Boots and Shoes.
 Magrane, Houston Co. John H. Casey, V.P. Dry Goods.
 Martell, A. E., Company. V. W. Thompson ... Loose Leaf Systems.
 Stork Company, The Harry MacDougall ... Dry Goods.
 Strater, Herman, & Sons. T. G. Strater Coppersmiths.
 Warren-Allen Carpet Co. Max Warren, Pres. ... Floor Coverings.
 Willis, Lowe Co., The Walter C. Halls, Jr. Chemists and Perfumers.
 Wood, Clarke Press, Inc., The. James G. Clarke,
 Treas. Printing.

Buffalo, N. Y.

Bicalky Fan Co. C. H. Bicalky Heating and Ventilating.
 Niagara Lithograph Co. Horace Reed Lithographing.
 Pease Oil Co., The H. T. Upson Oils.
 Seaman, C. J. J., Co. Charles Seaman Groceries.

Butte, Mont.

Bozeman Milling Co. Charles Vandenhook,
 Mgr., Bozeman,
 Montana Milling.
 Spillum, George Cigars and Tobacco.

Chicago, Ill.

Amer. Seating Co. E. Howard Furniture (School).
 Buettner, T., & Co. W. A. Jacobson Fancy Goods.
 Central Cut Glass Co. Glass (Cut).
 Halsted Street State Bank. Roy P. Roberts. Bank.
 Pan Handle Railway G. L. A. Thomson. Railroad.

Cincinnati, Ohio.

Cluett, Peabody & Co.....G. E. Cadby.....Shirts and Collars.
Cramer, JosephCarl CramerMachinery (Brewers').
French Benzol Dry Cleaning
Co., TheManny StraussCleaning and Dyeing.
Noterman, Jos., & Co.....Jos. NotermanJewelry.
Roth Shoe Mfg. Co., The....Leopold S. RothBoots and Shoes.

Coffeyville, Kan.

North Star Manufacturing Co..F. O. WeisStraw Board and Egg Case
Fillers.

Dallas, Texas.

Firestone Tire & Rubber Co...F. C. BrownRubber Tires.
Magnolia Petroleum Co.L. B. LesliePetroleum.
Mason Engraving Company...W. P. MasonEngraving.
Mitchell Motor CompanyH. A. Hays.....Motors.
Oriental Oil CompanyF. M. SmithOils.
Southern Wire & Iron Mfg.
Co.W. A. LedwickWire and Iron.

Des Moines, Iowa

Beatrice Creamery Co.A. W. CuddyButter.
Des Moines Electric Co.Ira SteeleElectric Light and Power.
Percival, C. L., Co.L. R. ShearerButchers' Supplies.
Vanderslice, Stahmer & Co..D. M. Douglass....Boots and Shoes.
Wilkins Bros. Co.A. M. NyeDepartment Store.

Fort Scott, Kans.

Lakin-McKey Mfg. Co., The..L. C. Lakin, S-T....Overalls.

Hoosick Falls, N. Y.

Wood, Walter A., Mowing &
Reaping Mach. Co.E. P. RoyalAgricultural Implements.

Kansas City, Mo.

Burroughs Adding Machine
Co.F. A. DuncombeAdding Machines.
Elliott, R. S., Arms Co.....R. S. ElliottSporting Goods.
Enterprise Mfg. & Com. Co...L. LoewenStoves and Tinware.
Equipment Co., TheJ. N. Greene, Treas..Automobile Tires and Supplies.
Kansas City Casket Co.....C. H. BairdCaskets.
Lorber Cigar Co.C. I. LorberCigars.
Ridenour Baker Gro. Co.....Jos. FrittonGroceries.
Webb Bros. Belting Co.....Geo. W. WebbBelting.

Lawrence, Kans.

Bowersock Mills & Power Co..R. C. JackmanMilling.
Lawrence Paper Mfg. Co....S. A. MoorePaper.

Lexington, Ky.

Faulconer Paper & Wooden-
ware Co.G. Z. Faulconer....Woodenware and Paper.

Little Rock, Ark.

Southern Cotton Oil Co., The.Jno. W. Fishburn...Cotton Seed - Products and
Fertilizer.

Lynchburg, Va.

Dickerson, A. D.R. J. ShinnPickles and Preserves.

Milwaukee, Wis.

Milwaukee-Western Shoe Co..C. A. KitzBoots and Shoes (Men's).

Minneapolis, Minn.

Farmer Bros.M. FarmerHosiery.
Kitz, Pidgeon, Milkes Co....J. A. McGlashanNotions.
Northern Rock Island Plow
Co.R. H. ProctorAgricultural Implements.
Radium Chemical Co.....E. P. FlorenChemists.

Newark, N. J.

Bailey & Alling Lumber Co. S. F. Bailey Lumber.
 Bal, William, Inc. William Bal Trunks.
 Balbach Smelting & Refining Co. Edward Randolph Smelters and Refiners.
 Beckwith-Chandler Co. R. B. Kelly Varnishes.
 Hallock-Denton Co. F. S. Muchmore Flavoring Extracts.
 Krueger, G., Brewing Co. W. C. Kreuger Brewery.
 Liberty Trust Co. A. Howard Watson. Banking.
 Modern Printing Co. L. A. B. Pruden Printing.
 Reeve, Abner S., & Sons. George F. Reeve. Coal.
 Scales Bros. Co. Richard Tillard Groceries.
 Springfield Ave. Trust Co. Frank Mead Banking.
 Stengel, George, Inc. Waverly, N. J. Leather.

New Orleans, La.

Arny, L. C. Carbonated Drinks and Cider.
 Nola Trading Co. Charles Levy Manufacturers' Agents.
 Standard Oil Co. W. E. Cornelius Oils.

New York, N. Y.

Austin, Nichols & Co. Albert B. Cory Groceries.
 Babcock, A. P., Company J. L. Strawn Soaps and Perfumeries.
 Bauer & Black J. R. Strohhecker Surgical Supplies.
 Beerman & Frank Louis Beerman Shirt Waists.
 Boss Mfg. Co. of New York F. Stumpf,
 Brooklyn, N. Y. Gloves and Mittens (Cloth).
 Cammeyer Alfred J. Hart Boots and Shoes.
 Cornell & Underhill J. H. Tatem Lead and Metal Pipes.
 Fox River Butter Co. E. D. Manchee Butter and Eggs.
 Gratz, Baer & Gratz Geo. R. Starr Cloaks and Suits.
 Irish, W. F., Electric Co. C. E. D'Elom Electrical Supplies.
 Lewis & Gendar B. E. Gendar,
 Brooklyn, N. Y. Insurance (Fire)
 Lorillard, P., Company Sidney Kelly,
 Jersey City, N. J. Tobacco.
 Louderback, Arthur E. Paints and Varnishes.
 McKinley Music Co. Raymond L. O'Neil. Music.
 Manhattan Hair Works Benj. L. Blatt. Hair (Human) and Hair
 Goods.
 Michel & Krieger Silks.
 New York Electrical Credit
 Asso. Franz Neilson, Secy. Trade Association.
 Novelty Candy Co. James F. McHugh,
 Jersey City, N. J. Confectionery.
 Patterson & Greenough A. Bauer Woolens.
 Riker, J. J., & Co. Jos. J. Riker Neckwear.
 Rock Island Butter Co. Wm. S. Macfarland. Butter and Eggs.
 Schlesinger, W. & S., & Co. Albert Schnitzler Furniture (Metal).
 Terry & Tench Co., Inc., The. Ferdinand Chambre. Contractors.
 Ullman, Sigmund, Co. L. H. Freund Printing Inks.
 United States Printing & Lith-
 ograph Co. H. C. Gennerich. Printing and Lithographing.
 Upjohn Company, The Wm. K. Upjohn. Pharmaceutical Goods.
 Wiemann, Geo. F., Co. Wm. Kinder, Jr. Tea and Coffee.

Niagara Falls, N. Y.

Niagara Chocolate Company,
 The H. H. Kuhl. Chocolate.

Norfolk, Va.

Star Manufacturing Co. A. J. Busky Waists and Skirts.

Peoria, Ill.

Illinois National Bank Wm. C. White Bank.
 Peoria Cordage Co. F. A. Heidrich. Cordage.

Philadelphia, Pa.

Abbott, A. Theo., & Co.....A. Theo. AbbottUpholstery Goods.
Bayne, Ring & Co.....M. E. BessellBankers and Commercial
Paper.
Beck Engraving Co., The.....Chas. W. Beck, Jr... Photo Engraving.
Buchanan, Geo. H., Co.....Chas. L. Kinsley.....Printing.
Carson & HillJ. Gordon HillAccountants (Certified Public).
Consolidated Dressed Beef Co..John Noble, Jr.....Packers and Packing House
Products.
Cranch, Raymond G., & Co....Raymond G. Cranch.Accountants (Certified Public).
Dornan, Wm. J.William DornanPrinting.
Fenton Label Co., Inc.....E. Miner Fenton....Labels.
Fidelity Mutual Life Ins. Co...A. U. TuteurInsurance (Life).
Geuting, A. H., Co.....W. S. ClarkBoots and Shoes.
Megargee, Irwin N., & Co.,
Inc.M. F. PurcellPaper.
Robbins & Myers Co.....W. C. WilliamsElectrical Supplies.
Sulzer & Co., Inc.....G. Alfred KochGas and Electric Fixtures.
Union Gas Iron Co.J. E. PereiraHousehold Specialties.

Pittsburgh, Pa.

Allegheny Valley BankFred. J. Koesling...Bank.
Harter-Siegel Co.L. S. SiegelTrousers.
New York & Pittsburgh Coffee
Co., Inc.T. C. Edwards.....Coffee, Tea and Baking
Powder.
Pyle, WillFurnishings (Men's).
Samson, H.Harry G. Samson....Undertaker's Supplies.
Union Adjustment Co.J. G. Cumming.....Adjustments and Collections.
Walsh, Morris, SonsMorris WalshBarrels.

Portsmouth, Ohio.

Portsmouth Steel Co.S. G. HopkinsSteel.

Quincy, Ill.

Collins Plow CompanyW. N. BrownAgricultural Implements.
Electric Wheel Co.Ira R. Calkins, Secy..Steel Wheels and Wagons.
Empire Manufacturing Co....Geo. M. Reeves.....Steel Wheels and Wagons.
Miller & Arthur Drug Co....C. A. E. Koch.....Drugs.

Reading, Pa.

Pennsylvania Trust Co., The..H. B. Hagy.....Banking.

Richmond, Va.

Miller Manufacturing Co., Inc..T. B. SaundersLumber and Mill Work.
Storm, George L., & Co.....R. H. Edmunds, Jr...Cigars.
Wright, Augustus, Co.G. C. Wright,
Petersburg, Va....Boots and Shoes.

Rochester, N. Y.

Oliver Chilled Plow Works...C. D. CoverAgricultural Implements.

St. Louis, Mo.

Columbia Graphophone Co....I. W. ReidPhonographs.
Eagle Foundry Co.Maurice G. Klemme,
Belleville, Ill.Foundry.

Granite City Lime & Cement

Co.A. W. Eisenmayer,
Granite City, Ill...Lime and Cement.
Selkirk, A. A., & Co.....Ben. J. SelkirkAuctioneers.
United States Safety Gas Ma-
chine Co.Robert Seibert, Secy.,
Belleville, Ill.Gas Machines.

St. Paul, Minn.

Aberdeen Fruit Commission

Co.Aberdeen, S. D.

Chippewa Shoe Mfg. Co.....M. A. TrebusBoots and Shoes.
 Cobb, R. E., Co.....W. H. HallButter, Eggs and Poultry.
 Daily News Pub. Co.....H. K. EdwardsPublishing.
 Fairbanks, Morse Co.A. C. Thompson.....Machinery.
 Ingersoll, Jas. T., Co.....C. H. JanssenDental Supplies.
 Sanitary Food Mfg. Co.....Carl F. MillerFood Products.
 Twin City Oyster & Comm.
 Co., Inc.J. H. Kersten.....Oysters and Commission.
 University of MinnesotaGeo. E. Vincent,
 Pres.Honorary.

Salina, Kans.

Lee-Warren Milling Co., The..Chas. M. ToddMilling.

Sandusky, Ohio.

American Crayon Co.A. M. Spore,
 Secy. and Treas. ..Crayons.
 Jarecki Chemical Co., The....A. F. Sprau,
 Asst. Treas.Fertilizer.

San Francisco, Cal.

Clayburgh Bros.L. BlackmanSilks.
 Gantner & Mattern Co.F. G. GantnerKnit Goods.
 Heineman, H. M., SonsA. Heineman.....Neckwear.
 Moran Co.C. A. McCormick.....Meats.
 Straus, LouisClothing.

Seattle, Wash.

Bauer, R. J., & Co.R. J. BauerTailors' and Dressmakers' Sup-
 plies.
 Du Pont, E. I., de Nemours
 Powder Co.F. A. FlaglerPowder.
 Flynn, Cramer & LinzW. L. CramerAccountants (Certified).
 Grossman BrosA. C. Grossman.....Fruits and Produce.
 Jackson & SonP. JacksonFruits and Produce.
 Mutual Paper Co.John M. WolfPaper.
 Squiers, W. H.Care U. S. Steel
 Products Co.....Individual.
 Washington Grocery Co.John TreziseGroceries.
 West Coast Rubber Mfg. Co...R. F. Miller.....Rubber Goods.

Springfield, Mo.

Anchor Broom Co.E. N. Finley, Secy...Brooms.
 Springfield Furniture Co.....F. W. CampbellFurniture.
 Springfield Seed Co.A. S. E. Sanders,
 Secy.Seeds.

Tiffin, Ohio.

Webster Mfg. Company, The..L. H. Webster, Secy..Machinery (Elevating and
 Conveying).

Toledo, Ohio.

France Company, TheW. H. Kelcawley....Stone (Crushed).
 Monarch Fence Company....M. H. Vowles,
 Adrian, Mich.Fences (Wire).
 Stollberg Hdwe. & Paint Co.,
 TheW. F. Stollberg.....Hardware and Paints.

Topeka, Kans.

Merchants National Bank,
 TheJ. E. JonesBank.

Utica, N. Y.

Stacey Cheese Co., The.....Irving E. Stacey,
 Little Falls, N. Y.. Cheese.

Vincennes, Ind.

Hartman Mfg. Co. H. M. Willmore..... Agricultural Implements.

Wheeling, W. Va.

Saylor-Engler Co. W. L. Saylor Produce.

Westfall, A. J. Butter and Eggs.

Xenia, Ohio.

Hooven & Allison Co., The..... Cordage and Twine.

Youngstown, Ohio.

Youngstown Telegram Co. J. W. Barnhart Newspaper.

Notes on Membership Growth

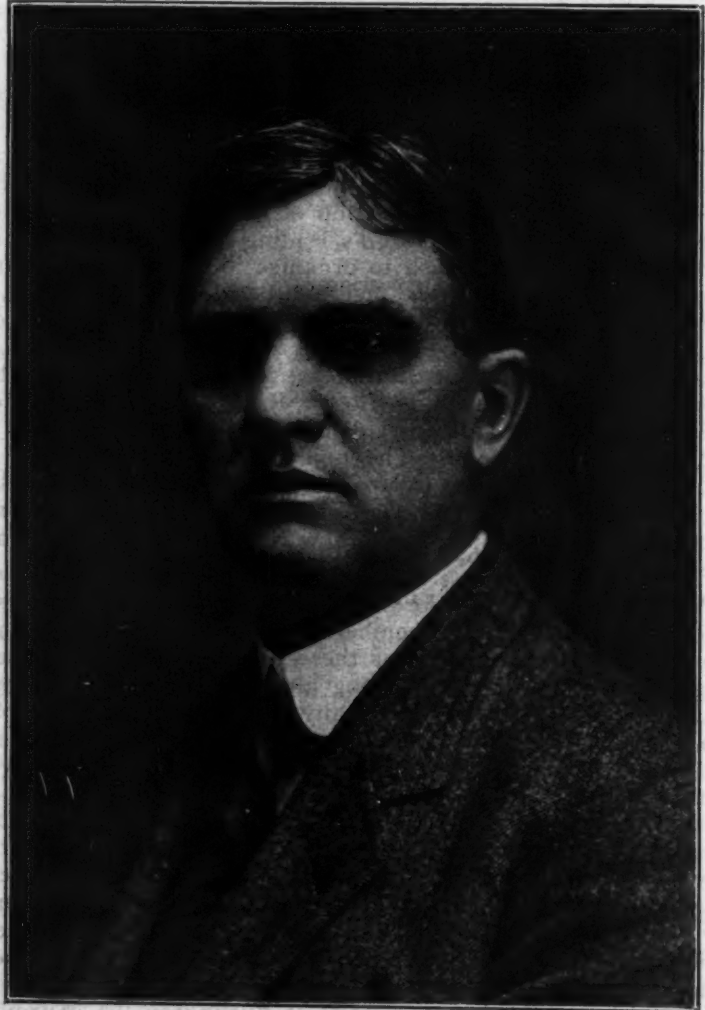
The Hartford Association of Credit Men has been organized under the direction of R. B. Heacock, representing the National Association. At the meeting for election of officers, held March 10th, it was found that sixty of Hartford's leading business men had signed the call, indicating their wish to organize locally. Representing the National Association at this meeting besides Mr. Heacock, were directors for New England, George C. Morton, president of the Boston association, and George E. Melius, of Bridgeport, also William W. Orr, Assistant-Secretary. After brief addresses by the National representatives, W. H. Logan, R. P. Bennett, W. D. Morgan, and E. M. Dexter, the latter president of the Hartford Business Men's Association, spoke briefly. The officers elected were J. H. King, president; C. de L. Alton, Jr., of J. B. Williams Company, Glastonbury, Conn., secretary, and Dr. Frank H. Stocker, of Billings & Spencer Co., treasurer. The list of new Hartford members will appear in the April BULLETIN.

Probably none of the local associations has made more steady progress in acquiring new members during the past year than the Boston association and most of these members have been secured through the persistent circularizing and letter writing of President Morton, Secretary Whiting, and many other members of the organization. When a concern joins the Boston association it stays because the administration is resolved that every member shall be fully compensated for the time and money he puts into the work. Right along this line, it is interesting to note how New England has entered more and more into the work of the National Association of Credit Men and become a factor in it. For fifteen years, Boston was the only local association in New England and its membership remained pretty nearly steady at from 175 to 200 members. Now, besides the great increase in the Boston association and the large development of the individual New England membership, local associations have been formed beginning two years ago at Burlington, Vt., Springfield, Providence, and Hartford. The New England influence in the Association is on the increase and that will be good not only for the association but for New England.

"This is but further indication of the value of membership in the National Association of Credit Men." Here is what a member writes after taking advantage of the advice which the Bankruptcy Law Bureau of the Association is ready to extend to members upon request and without charge.

President F. R. Salisbury

Many of the local associations have been hearing from President Salisbury during the last few months and his word regarding the Association carries solid conviction because he is recognized as a practical man of affairs who believes in the National Association of



Credit Men and realizes the breadth and scope of the peculiar work before it. His belief in the Association is founded on the observations of now nearly sixteen years of connection therewith. He has seen in that time how helpful to commerce such an organization has been and with the strides commerce is making, how vastly more essential its work is to become.

President Salisbury particularly impressed the members of various local associations with the effectiveness of bureau work if closely

supervised by credit grantors themselves and has been carrying the message of the Northwestern Jobbers' Credit Bureau through various parts of the country as indicating what credit grantors can do through wisely conducted bureau work to make large savings for their concerns. The man who knows by actual experience is the man who carries conviction and here is President Salisbury's strength as he visits with his fellow members.

What Members Are Saying Regarding Their Association.

In the general letter mailed March first by the National office to concerns holding individual membership, it was requested that members cite the points which they believed should be emphasized in calling the Association to the attention of prospective members. This paragraph brought out a good number of answers. One member asserted that there are so many good reasons for urging every business house to enter the organization that to enumerate them would necessitate writing a book instead of a letter and that the achievements of the National Association of Credit Men have no parallel in history. The astonishing thing, he says, is that a concern can get benefits so totally out of proportion to what it pays in the form of annual dues.

Another member says that in recommending the Association to a prospective, he would mention first co-operation, the advantage of which is obvious in securing results of the highest importance to every member of the family of commerce. Again, he refers to the advice of the legal department which he had found of great advantage, declaring that if such opinions had been secured independently from trustworthy attorneys, it would have cost several times the price of membership. Further, he refers to the monthly BULLETINS and general letters which are so important in keeping abreast of the times in credit lines.

Among those who took pains to reply, was Lee M. Hutchins, whose name is so well known to members of the Association everywhere. He said that every manufacturer, wholesaler, and banker should contribute by way of membership to the National Association of Credit Men; that two decades ago, the commercial enterprises of the country had assumed such stupendous proportions and were moving with such great rapidity that it became apparent that the credits of the country and the laws bearing upon business pursuits should have better and closer attention all of which necessitated specializing in credits. Thus the credit man and his possibilities were emphasized and as a natural sequence, the National Association of Credit Men not only became possible but necessary. The work of the Association, he says, is an open book not only as to the individual credit man but as to his education along proper lines and the importance of the task before him. Through his efforts, the laws bearing upon commercial pursuits in all the states of the Union have been revised and amended and new laws have been put upon the statute books and no business man can escape from receiving more or less good from all this work and therefore should not only contribute to the Association in a friendly way but in an actual way by membership.

CENTRAL CHATS

PERHAPS since reading "Central Chats," in the February issue, some of our members have made preparations to investigate clinically credit functional disorders. We submit to their analysis, the following case:

An honest debtor, after two unproductive years, finds his assets and liabilities are about equal, and that should he be pressed unduly immediately to provide for a reasonable portion of his outstanding indebtedness, there could occur but one result—bankruptcy.

Believing his creditors should equally share in his assets and that the assets should be exclusively used for apportionment among his creditors, he suggests a friendly adjustment supervised by a committee of the creditors, and to this adjustment, creditors representing four-fifths of his indebtedness, consent.

Three of the smaller creditors representing a total of \$750 without due consideration, place their claims with a forwarding agency, which in turn places them with a commercial attorney at the debtor's location. This attorney refuses consent to the adjustment, forces the estate into bankruptcy, and as a result the creditors receive one-third less than would have been received through the adjustment, but the attorney has been benefited by the fee attending his action.

Now, fellow member, what is the organic trouble with the creditors who acted so precipitately and the functional disorder of the attorney who subordinated the relationship of attorney and client to the larger compensation?

This is not epidemic, but a disorder that frequently occurs.

CENTRAL CHATS

WE are more and more impressed with the thought contained in the word "Co-operation." By it new lands have been discovered, nations founded and cities built. Without it, no event worthy of perpetuation has, or will be, transacted. Co-operation has written history.

Credit is the foundation of commerce, of individual wealth, and of the social welfare, and co-operation is the foundation of credit. As this pertains to the entire credit structure, so it pertains to every unit of the structure, as co-operation supports credits collectively it also supports each individual credit.

The acceptance and practice of co-operation therefore, is the primer for the credit man and there is no advancement to the secondary grade until this lesson is thoroughly learned.

A handwritten signature in dark ink, appearing to read "J. W. Grege". The signature is fluid and cursive, with a large, stylized initial "J" and a long, sweeping underline.

Notes on Legislation and Committee Activities

The Pittsburgh and Philadelphia associations are going after the false statement act for Pennsylvania with a vim and determination which it would seem impossible to defeat. Every stage of progress is watched closely, and the associations are sending to the members of the legislature special delivery letters and telegrams asking the influence of each in advancing the bill.

The latest report from Missouri regarding the bulk sales statute is that it has been passed by the senate in a vote of twenty-six to seven. The activity of the associations in that state has been such that they have secured from members of the house fifty votes pledged out of one hundred and thirty-three, so that all are feeling quite sanguine as to their success in getting this year the bulk sales law on the statute books of Missouri.

During the month of February two more states were added to those having the bulk sales law, leaving but four without this statute. The new states are Arkansas and South Dakota, the four states in which it is not yet a law being Ohio, Illinois, Missouri, and Kansas. In Ohio, the senate has passed the bill recommended by the Association regulating the sale of merchandise in bulk, and favorable progress is reported from Illinois and Missouri. In Kansas, the effort to secure the law this year failed.

It is always the practice of the BULLETIN to give credit for good work carried successfully through in the name of the Association to those who contribute of their time and strength for its advancement, and so, besides giving honorable mention to the Fort Smith association, its officers and members who helped to put the bulk sales law on the statute books of Arkansas, special mention must be made of L. E. Hinton of Little Rock, who did more probably than any other to organize the retailers of the state, as well as the wholesalers, in support of the measure. Our membership in Arkansas is not large and it was necessary to get such active assistance in creating a public demand as Mr. Hinton so ably furnished. In getting the bulk sales law in South Dakota, splendid work was done by C. W. Russell of M. E. Smith & Co., of Omaha, Neb., and F. J. Hopkins of Janney, Semple, Hill & Co., of Minneapolis, Minn. The gratitude of all the members of the Association should go to these men, together with their associates, for securing the bulk sales law in South Dakota.

Commercial legislation of the highest importance has been gained in the present session of the legislature by the business men of Indiana. There has been passed, largely through the efforts of the Indianapolis Association of Credit Men, the model law making it a misdemeanor to make a written false statement that it may be relied upon as a basis of credit; the bad check law, and the fire marshal law, besides which has been enacted the negotiable instruments law. Credit for this splendid work belongs to a large number of the members of the Association who have responded enthusiastically to President Jeffries' demands for assistance. Particularly notable is the work of J. G. Mueller, of the Mooney-Mueller Drug Company, chairman of the committee on fire insurance of the Indianapolis association, largely through whose energy the fire marshal law was enacted on the closing day of the legislative session.

The members of the Seattle, Tacoma and Spokane associations are endeavoring to secure an amendment to the sales in bulk act of the state of Washington so that its provisions will apply to transfers of fixtures or other equipment used in the sale, delivery or display of merchandise employed in a stock which is to be sold or transferred in bulk. The judiciary committee of the senate has reported favorably on the associations' recommendations.

S. J. Whitlock and Henry L. Blum, of the Chicago Association of Credit Men, were present at the large meeting of the business men of Sterling held in February to enlist their sympathy and help in securing the bulk sales law for Illinois. Mr. Whitlock spoke in general on the work of the National Association, showing how in all its departments, it is endeavoring to bring advantage to every honest business man. He presented several striking illustrations of the timely help being rendered retailers by the Association when they were on the point of making mis-steps which would have brought serious consequences. Mr. Blum went fully into the merits of the bulk sales law, looking at it especially from the retailer's standpoint. President Kidder of the Sterling Business Men's Association promised the speakers that they could go home assured of the earnest help of every member of his organization.

The Committee on Municipal Credits has been looking into conditions that should be observed in making contracts with or sales to municipal governments. Questions covering vital points were put to the mayors of a large number of cities in all parts of the country and replies have been generously accorded. The results of the committee's inquiries may well be of value to our members who do business with municipalities. Files covering this class of information are being accumulated for advantage of members and the National office will be glad to investigate the legal machinery of such cities as members may be interested in.

The Utah Association of Credit Men has been remarkably successful in securing important legislation during the present legislative season. Through its efforts, have been placed upon the statute books a law regulating collection agencies, suggested by the National Association; a law limiting the amount of wages as preferred claim in the liquidation of insolvent estates not to exceed four hundred dollars; the bad check law, penalizing under certain conditions the drawing of a check against insufficient funds; the fictitious name law, and the fake advertising law. Besides these laws, the Utah association is endeavoring to secure legislation limiting the amount of a landlord's lien so that preferred claims in an insolvent estate shall not continue to menace the common creditors' interests as they have in the past. As an illustration of unjustness encountered in bankrupt estates which some of these laws aim to overcome, attention is called to a case in which a grocery store was sold by the Utah association for one thousand dollars, out of which seven hundred and thirteen dollars had to go to rent, which, with the labor and taxes for 1912 unpaid, left nothing for the merchandise creditors. Another case is that of a bankrupt estate which the Utah association was liquidating as trustee, wherein the assets brought \$1,300, with preferred claims for rent of \$700, for labor of \$400, and chattel mortgage of \$1,200, so that there would be no recovery whatsoever for common creditors, although most of the assets in the place of business at the time of failure

were in the form of merchandise purchased from the various common creditors.

The members of the Youngstown Association of Credit Men are directing attention to the establishment of the municipal court system for the Youngstown township similar to that secured recently for Cleveland. The measure introduced into the legislature contemplates the abolishment of the justice of the peace courts and the giving to the new municipal court jurisdiction over matters previously handled by justices of the peace, as well as those now heard by the judges of the police court. The bill proposes giving to the municipal court also jurisdiction over civil matters arising in the Youngstown township up to the sum of \$1,000 instead of \$300, the maximum amount over which the justices of the peace now have jurisdiction. This would have the result of relieving the common pleas court of many petty cases and at the same time have these matters heard by a judge of not less than five years' standing at the bar. The municipal court has done much for the business interests of Pittsburgh, Cleveland, Chicago, and other cities, and is destined to be imitated at all large business centers where, because of archaic court systems, the obtaining of justice has been made difficult in smaller matters.

J. P. Williams, chairman of the Bankruptcy Law Committee of the Utica association, addressed an important communication in February to the Utica members with a view to getting the consent of as many as possible to act as trustees in bankruptcy cases, with the object of introducing greater business economy and wiser administration into handling bankruptcy cases. The committee points out that larger and fairer salvage is gradually being secured; first, because of the better knowledge among credit grantors of the bankruptcy law; second, because of the increasing tendency to bring adjustments virtually into their own hands; third, because a creditor can go into the bankruptcy court and get the same privileges as are accorded to attorneys. The committee asks the members to refrain from handing their accounts over to irresponsible and unknown attorneys and to investigate the standing and reputation of a party before handing him their claims, pointing out that carelessness in this regard has resulted in willful squandering of assets. Further, it asks the members not to treat their claims in bankruptcy as of no consequence simply because they may happen to be small, because many a small claim has decided the selection of a trustee. The Utica communication is good enough to pass on to the members of the Association, and it is the BULLETIN's pleasure to give this summary.

Philadelphia is to have the municipal court system. This is assured by the passage of a bill providing for such court in both houses of the Pennsylvania legislature. Governor Tener has expressed himself as in hearty accord with the workings of the municipal court system as in Allegheny county. This means that Philadelphia business men will no longer have to suffer from the congestion of the courts which has been making justice in civil cases almost impossible. All suits for the recovery of money, not exceeding fifteen hundred dollars, are to be determined in the municipal court with its far simpler and speedier procedure than that of the common pleas court. As it is now, the expensive machinery of the latter court is invoked to settle all claims exceeding one hundred dollars, which means badly clogged calendars. It was found that the remedy did not lie in the increase of the number of common pleas courts or judges, but in providing a municipal system which would make

it possible to sue out a claim for a few hundred dollars within a month or so instead of having to wait two or more years as is now the case. It will be remembered that the constitutionality of the statute was tried out in the case of the Allegheny county court and was sustained. This battle was won for Philadelphia through the leadership and insistence of the Philadelphia Association of Credit Men and is not the least of that association's achievements.

The prosecution committee of the New York Association of Credit Men is endeavoring to learn the whereabouts of Max M. Frank, formerly of Philadelphia, indicted by the grand jury of New York County for obtaining goods under false pretenses. The indictment was obtained through the efforts of the New York association, which was brought into the case at the request of several members who had sold Frank. An attempt was first made to apprehend Frank in New York and have him arrested on a warrant. Through Frank's employer co-operating with the association, arrangements were made to have him come to New York, but he refused to do so. With the assistance of the well known firm of M. Frank & Company of Philadelphia, Frank was indicted and arrested in that state, but refused to waive extradition, and a hearing was held before the governor of Pennsylvania, resulting favorably for the association; but when an officer was sent from New York to Philadelphia to bring him into the state, Frank could not be found, for he had been released on two thousand dollar bail and his bondsman was notified to produce him, but without result. Circulars containing Frank's photograph and record have been printed and circulated among the police officials throughout the country. Through this publicity, the association has been informed that Frank was formerly arrested at Philadelphia by federal authorities for fraudulent use of the mails, as a result of which he was sentenced to fifteen months in prison.

Notes on Foreign Commerce

In a recent issue of the BULLETIN, members were advised to use the consuls of the United States at the various ports in helping them get a line on conditions in countries in which they wished to do business, the National office being equipped to present the names of consuls upon request. One member writes that this suggestion had proved to be an excellent one, that the information received from American consuls at various points in South America had been most satisfactory, in each case the consul writing a detailed letter giving the exact situation in the country he was residing in with respect to the sort of goods inquired about.

In speaking of foreign credits before the Youngstown association recently, Leo Guthman, who has spent many years in Germany, said that the Germans seem to have solved the problem of extending their trade into foreign parts as no other country has. As they determine upon extension, they prepare their young men not alone for the particular business to be conducted, but arrange that they shall learn the language of the people and become familiar with the conditions and environment of the country. Preparation, he said, is what makes the Germans efficient in whatever they undertake, and this is especially true in handling their foreign trade, and if Americans are to supplant the Germans in Central and South America, they, too, must prepare their young men as do their German competitors.

The National Association of Credit Men is steadily adding to its sources of foreign information for the purpose of assisting those who are looking into credit conditions and endeavoring to get reports upon merchants in foreign parts. Members of the Association are urged to make the National office one of their mediums for getting information on foreign credits, it being understood that only the exact out-pocket will be charged for this service. In order to assist the National office, members are requested to volunteer suggestions based upon their experience in making foreign shipments, remembering that every concern engaged in foreign trade is interested in the general increase of foreign trade on the grounds that the more the merchants and manufacturers of the United States do in this-line, the sooner will be established abroad the facilities we need.

In order to show how comparatively feeble is our hold upon the business of South America, the Boston Chamber of Commerce has compiled the following figures:

ARGENTINA in 1911 imported \$353,972,000 worth of goods. The United States sold her \$50,521,000 worth. Germany, France and England sold her \$129,581,000 worth.

CHILE in 1911 imported goods valued at \$127,381,000—\$15,775,000 was from the United States, while Germany, France and England sold her over \$80,400,000.

PERU in 1910 had \$24,200,000 imports; \$4,400,000 was from the United States, and \$14,340,500 from Germany, France and England.

BOLIVIA in 1910 imported \$18,980,000. United States sold \$2,124,000, Germany and England \$7,196,000.

BRAZIL in 1911 imported \$257,480,000—\$34,000,000 was from the United States and over \$140,000,000 from Germany, France and England.

FOR THESE FIVE COUNTRIES ALONE the imports were in a single year \$524,533,000; of these, the United States sold \$72,838,000, and Germany, France and England \$231,511,500.

A firm can easily train its customers into one of two habits—the habit of prompt pay or the habit of delinquency.

Notes on Fire Waste

At a fire prevention meeting held in the mayor's reception room of the Philadelphia city hall early in the present month, a movement was launched to hold a national convention on fire waste in Philadelphia in October under the auspices of the city. A resolution to this effect was presented by Powell Evans of Merchant & Evans Company, chairman of the Philadelphia Fire Prevention Commission. Those behind the movement plan to invite fire chiefs from every city in the United States, as well as city officials, representatives of fire insurance companies, and delegates from associations interested in the subject of fire prevention. A special point of discussion will be the proposal to consolidate all inspection agencies of cities into a central inspection agency.

New York is having the novel experience of a thorough clean-up. The health department, assisted by the fire commissioner and numerous lay organizations, is inspecting every building in the city, block by block, and ordering accumulations of filth and refuse removed. The health board's power is unquestioned, and the power of the women's organizations is not to be belittled with their slogan: "Clean up, for we shall not buy in a dirty store." The street cleaning department has been overwhelmed with the extraordinary demands made upon it and has cried for a slower pace, for it cannot clear the streets fast enough to

keep up with the offerings of dirty cellars, back yards, alleys, garrets, halls and closets. The fire commissioner is rejoicing in the health board's activities, for it means as much to him as to the health department. His hope is that clean-ups may grow to be popular until New York is in its every part clear of the fire-feeding refuse heap.

Savannah has distinguished itself with the latest conflagration, a million dollar wharf fire, which, by great good fortune and skillful fire-fighting, did not make good its threat to spread beyond the river-front. The fire, however, brought great confusion to shipping business, and the loss was by no means confined to actual property destroyed. This fire followed warnings of the National Board of Fire Underwriters, issued on January 11th, the fire taking place February 2nd. The engineers called attention to hazardous conditions, showed that fire boat protection was essential, and spoke of the absence of fire stops, so that the fire did not, or at least should not, have belonged to the class of the unexpected, but to that sort of disaster which is only subject to postponement. Every member of the National Association of Credit Men should have enough loyalty for his city at least to know where are the conditions which only await a favorable moment to become seething furnaces and carry the torch and withering heat to every part of the city, for it is only a matter of time apparently before that for which conditions are favorable happens.

Bearing on Association Activities

At the annual meeting of the Pueblo Association of Credit Men, held January 13th, T. Barbrick, of A. McClelland M. I. R. Co., was made president; P. A. Cessna, vice-president; and I. W. Veasey, of the Brinkley-Douglas Fruit Co., secretary and treasurer.

At the recent meeting of the Selma Association of Credit Men, R. H. Agee, of R. H. and W. C. Agee, was elected president; F. M. Scott, of Cothran-Russell Co., vice-president; R. M. Waters, of Tissier Hdwe. Co., secretary; and C. M. Howard, People's Bank & Trust Co., treasurer.

At the annual meeting of the Charleston (W. Va.) Association of Credit Men, held in February, Leroy Swinburn, of the Elk Milling & Produce Company, was elected president; Walter McNeal, of the Standard Oil Company, vice-president; and Okey Johnson, of the Abney-Barnes Company, secretary and treasurer.

The Portland Association of Credit Men is giving on Friday noons a series of luncheons with lectures on commercial law and its application to the credit department. From forty to sixty members have been present at each of these meetings. The appointment of chairmen of the luncheons is on the rotary plan, each chairman being responsible for his meeting's program.

In speaking to the members of the Grand Forks Association of Credit Men, W. Earl Smith, of R. G. Dun & Company, of St. Paul, called self-confidence the backbone of business. Virgil, two thousand years ago, he said, expressed it in this wise, and who could have expressed it better? In speaking of certain of the Trojan athletes, he declared: "They are able because they think they are able." Men, said Mr. Smith, have been proving up on that statement ever since.

Continued bad health has compelled John T. Brady to resign from

the office of president of the Denver Association of Credit Men and from its board of directors. This announcement was received by his fellows with sincere regret for Mr. Brady, besides being a most popular officer, has given the association a live administration. William H. Wylie has been elected Mr. Brady's successor and the association is fortunate in having a man of Mr. Wylie's temperament and ability to take the leadership at this time. C. W. Kirchner has been elected vice-president to succeed Mr. Wylie.

As a result of President Salisbury's visit among the Texas associations, when he explained fully the benefits which the credit men of the Northwest are enjoying through their interchange bureau, the credit men of Fort Worth are discussing seriously the formation of like facilities for their city. Dallas, San Antonio, and El Paso already have credit exchange bureaus and it is felt that with the chain completed by the establishment of a bureau at Fort Worth, a distinct advantage would accrue to credit men throughout the state.

The bureau departments of the Buffalo association, those of adjustment and credit exchange, are reported to be showing steady gains. Secretary Bridgman says that where the bureaus used to be able to say that they were saving dollars for their members every year, they are now able to say that they are saving dollars for them every day, so increasingly is the information the bureaus have in their files sought and so well recognized is the superiority of this information. Furthermore, the adjustment bureau service of the association is steadily improving, members being more liberal in filing cases with the bureau.

W. M. Bergin has been elected secretary of the Duluth Association of Credit Men and manager of the Duluth Jobbers' Credit Bureau, which handles the credit exchange and adjustment features of the association. Mr. Bergin has been assistant credit manager of the great firm of F. A. Patrick & Co. for over ten years and has had charge of adjustments for that company for the last five years, and so comes particularly well equipped for his new task. The Duluth bureau is governed by a strong board of officers and directors and is distinctly worthy of the confidence of all the members of the Association interested in adjustments in the Duluth territory.

The members of the Kansas City Association of Credit Men have begun to wonder why, when other local associations have established bureaus for the exchange of credit information and made them indispensable adjuncts of their members' credit departments, they have been closing their eyes to bureau possibilities. Kansas City is undoubtedly particularly well located to do effective bureau work; its market is large but fairly distinctive, and in co-operation with the bureau at St. Joseph and a bureau which would probably soon follow at Omaha, the exchange system in that portion of the Missouri valley would become as useful as that carried on, for instance, at Minneapolis and St. Paul.

The Seattle Association of Credit Men is planning to issue each week a "turn down" list on which members will be asked to fill in the names of any whose account they have had reason to turn down or refuse credit to, giving reasons therefor in a code as follows:

- A. Refused first order on Agency Report.
- B. Refused first order on Special Information.
- C. Refused, previous account too slow.

- D. Refused, previous account unsatisfactory.
- E. Account in attorney's hands for collection.
- F. Refused, previous account collected by collectors.
- G. Refused, previous account uncollectible.
- H. Purchases too freely.
- K. Declines to make statement.
- L. Order refused because limit of credit exceeded.
- M. Lack of confidence.

One of the members of the Association who has taken the deepest interest in prosecuting fraudulent bankruptcies where conditions warrant, writes of a case in which he has been interested, to show the results which can be secured when credit men go with determination to the bottom of an affair. The cash surrender value of the life insurance policy of one of the bankrupts, after some litigation, was secured, resulting in \$545 cash. The cash surrender value of the policy of another member of the concern produced \$600 in cash for the creditors. An order was secured against one of the members of the concern to pay over individually \$300 in cash which order was complied with and a like order was served on another partner with similar results. An attempt to get witness fees and mileage on the part of one of the bankrupts was frustrated and a motion to expunge the claim of one of the creditors for about \$5,825 was sustained by both the upper and lower courts, thus saving the estate about \$2,320. Criminal prosecution was continued until the United States District Attorney, before whom the case was heard, refused approval because, in his judgment, the evidence was not sufficient to warrant a prosecution. In the meantime certain friends and relatives of the bankrupt raised thirty-five hundred dollars in cash to be placed in the estate, provided all litigation were stopped. In other words, the case was pushed right up to the limit until further prosecution could not possibly have produced any advantage.

Suggestions for the Credit Grantor

A member of the Association wishes suggestions as to forms for acknowledgment of orders, one that cannot be construed as a positive promise to ship and will not bind the concern if the credit department decides that the risk is not a desirable one, yet such as will not offend the customer.

One of the leading banks of New York state has printed prominently in red ink upon all forms upon which it asks customers to render their financial statements a copy of the recently enacted false statement law. This is a suggestion which could profitably be adopted by banks and business houses generally in asking for financial statements.

There is a thought for credit men in what Bank Commissioner Thorndike told the members of the Boston association recently regarding the progress of the school savings system in Massachusetts, a system which has been adopted by more than fifty cities and towns with over seventy per cent. of the children taking advantage. What greater encouragement or education in thrift could be suggested for every state of the Union?

Speaking on safety of credits variable according to locality, a credit grantor expresses the opinion, based on years of experience, that the greatest uncertainties apply to credits in what may be called "one crop

territories," for instance, where cotton is the sole or principal crop or rice is principally grown, and territories contiguous to the lower Mississippi river and its branches, where there is likelihood of serious losses in the event of floods or crop failures. Here is simply another way of expressing the importance of a varied crop, it being a well known fact that there is nothing more substantial offered from the credit point of view than that of a trading center having behind it a region whose products are varied, whether they be agricultural or manufactured products.

Panic is desertion of reason and resource at just the time and in the situation when they are most needed. The time and period when the credit man is most prone to panic, and to act precipitately and without deliberation, is when an account becomes involved, or the debtor, through some action, has admitted his insolvency. This is a situation in which the credit man should best be steadied, when his poise should best be exercised, and his reason and judicial temperament be in best action. Avoidable waste is daily occurring because of panic-stricken credit men who act without deliberation and fail to exercise that supervision over the involved or insolvent account which they have exercised from the time of accepting the order and placing the account upon the books until this period, and now act precipitately when every action should be under the best control.

The National Shoe Wholesalers' Association bulletin gives an interesting item on the amount of gross profit required from the head of each department in a large department store. The first figures given are the percentages of profit based on the selling price and the figures in parentheses, the percentages added to the cost necessary to produce the required profit:

Blankets, carpets, rugs, men's furnishings and clothing, 30 per cent. (42 per cent.)

Fruits, vegetables, groceries, linens, white goods, etc., 25 per cent. (33 1-3 per cent.)

Furniture, bedding, house furnishings, millinery, notions, books, stationery, toys, trunks, etc., 33 1-3 per cent. (50 per cent.)

Gloves, 28 per cent. (39 per cent.)

China and glassware, 35 per cent. (54 per cent.)

Shoes, 27 per cent. (37 per cent.)

The bulletin of the Buffalo Association of Credit Men tells of a plan which has suggested itself to a party in that city as a result of the Association's agitation for the education of the retailer in proper business methods. The party states that he is ready to furnish service to retailers, manufacturers, and any class of trade whose bookkeeping requirements seem not to warrant the employment of a regular bookkeeper, so that the small business house shall get just such service as the big business house gets from its auditor. The aim will be to give expert bookkeeping, clear and comprehensive statements of the retailer's business and cost data, and to advise him against extending too liberal credits to those not worthy of it, and, in general, to chart his course and keep him off the rocks. If the practical difficulties in the way of such a plan can be worked out in Buffalo, the results will be watched closely by the credit men of other communities, for in proportion as success is attained by the plan, will the retailer's standing as a credit risk be improved.

A credit man was once heard to remark that the credit report of a salesman is considered more or less of a joke by most credit men. If this is so, does it not reflect just as much upon the credit man as upon the salesman? Does it not indicate that the credit man is not using the opportunities which are nearest him to get a safe volume of business on his books? Again and again credit men have proved that if they will but get their salesmen to co-operate, they become great helps to the department, not only in preventing losses, but in developing good merchandising among the customers; making the customers' business almost departments, so to speak, of the manufacturers' and wholesalers' business. One of the troubles is that salesmen work under a sales manager who is not in close touch or sympathy with the credit department. In his talk with the salesmen and in his letters the one idea is "boost the sales." So strong is this sort of talk that the salesmen are pushed to the point even of withholding information detrimental to a customer just to get a sale through. An attitude of this sort on the part of the sales manager toward his sales force is productive of nothing less than anarchy in a concern.

Few have heard of the country-wide campaign now well under way under the direction of the savings bank section of the American Bankers' Association to encourage the habit of thrift. This far-seeing work, for which there is little immediate return but which is in line of a fine patriotic service, laying as it does a solid foundation for the business of the future, takes the form of school savings systems, lectures on thrift like those now being conducted by the board of education in the city of New York, and newspaper write-ups. The school savings system seems to offer the best method and bankers in different states are urging their legislatures to pass bills legalizing school savings banks. It is said that this system is in operation in more than a thousand schools in various parts of the country and that the amount of money accumulated from the pennies of school children is more than a million dollars, and since the first school savings bank was started deposits have aggregated about four million dollars, with a large part of the amounts withdrawn going into regular savings bank accounts. Thus the boys and girls are taught early to earn and save pennies. They are taught that pennies soon become dollars, that dollars earn interest and pile themselves up comfortably for worthy uses, becoming the nucleus, perhaps, of a fortune when they are saved and placed to their credit instead of being spent as they come for gum, candy and other needless things. The members of this Association can well join those of the American Bankers' Association in this splendid work.

When young men start in business, almost invariably they magnify the importance of the skillful salesman, in comparison with whom the accountant or credit man is of third-rate importance. A member of the Association, who is now the president of his local organization, in commenting on this recently, told of his own experience, how he went into his father's business, and as soon as he got a reasonable grasp of the products offered, took hold of the sales end. This was where his mind was absorbed. Balance sheets were not under his department, but gradually it began to dawn on him as the records for the successive years were made up that there must be something wrong when sales were so large and satisfactory and yet the business was scarcely more than paying legal interest on the money invested. Then the importance of the accounting end of the business became clearer; he saw that only

through it could the leaks be located. His interest and attention were then shifted as earnestly to the neglected accounting and credit departments as they had been directed to the sales department, and it did not take very long to find where the trouble lay. In the first place, there was excessive loss through bad accounts; terms of sale were absolutely disregarded; accounts were allowed to age on the books which meant at least loss of interest and added expense of collection; the office system employed had not developed with the business; cartage was costing twice or three times what was necessary; there was waste in methods of storing and in handling goods in and out of the warehouse. Not increase in sales, but more attention to accounts and credits, he saw immediately was the way out of the difficulty, and it proved to be so, for the house, as this now loyal member of the Association says, is yielding handsomely on a business not much larger than the house had previously enjoyed. Besides, customers are better taken care of, and the relations between them and the house is on the most solid and permanent basis.

Notes—General

The members of the New Orleans association are gratified in the progress of their fellow member, T. P. Breckenridge, former cashier of the City Bank & Trust Company, who has just been elected to the presidency of his institution. This comes as a recognition of the fact that Mr. Breckenridge is largely responsible for the building up of the bank.

Dun's Review, commenting on the percentage of failures, shows the ratio of commercial failures to mercantile firms in business in the United States from 1866 to 1903, inclusive, averaged only 1.03 per cent. each year; that is, for each one hundred firms in business, only one failed a year. Bradstreet's states that the number of business failures for 1909 was only .77 per cent. of the total number of firms in business.

The February BULLETIN, the initial advertising number, dressed in its new cover, has been widely acclaimed. Some members have declared that, even apart from the purpose which the advertising is intended to serve, the attractiveness of the BULLETIN has been enhanced. Now the thing to do is to bring the advertising up to sixteen pages as planned at the Boston convention, and this can be done if members will use their influence to introduce concerns who would be benefited by BULLETIN publicity to our advertising plans. The co-operation of all is urged that our prosecution fund may rapidly become available for beginning the campaign against fraud.

Leather merchants and the boot and shoe trade were very much aroused last year over the adoption by the Louisiana legislature of a law prohibiting the manufacture or sale in the state of boots and shoes in the manufacture of which was used any substitute for leather, such as leather board, straw board, leatheroid, etc., unless clearly and legibly stamped with a metal die on the outside of the outsole where and by whom the boot or shoe was made and what substitute for leather, if any, was used, designating where such substitute had been used, violations thereof subjecting the guilty to a fine of not less than \$25 and not more than \$250. Word has just reached the National office that this law has been declared unconstitutional in the Civil District Court at New Orleans on the ground that it interferes with interstate commerce.

A. H. Maxwell, whose work as head of the credit exchange bureau committee of the Pittsburgh association has been frequently commented

upon in the BULLETIN, has severed his connection with the Pittsburgh Gage & Supply Company, of which he was assistant treasurer, to accept a highly responsible position with the National Bank of Commerce of New York. Mr. Maxwell was given a send-off at the regular weekly luncheon of the Pittsburgh association, held February 13th, when Vice-President James E. Porter presented him with a loving-cup on behalf of all the members of the association, and Assistant Secretary Bunce presented a photograph of the office employees of the bureau with whom Mr. Maxwell has worked long and successfully. Highly appreciative addresses were made by President Rauh, D. C. Shaw, Daniel Ashworth, and L. C. Sadd, members of the association.

In a report issued recently to the stockholders of the London City and Midland Bank, the new and growing demand for gold in India was interestingly commented upon, it being pointed out that one-fourth of the world's production in 1912, or about one hundred and twenty-five million dollars, was absorbed by India. This, it is observed, offsets very considerably the theory that the advanced cost of necessities is due to the over-production of gold. They had a custom in India of converting silver coin into ornaments, which in time of distress and famine were taken to the mint to be converted back into coin. Under the new currency laws, the mints are closed to silver and ornaments taken to the mints cannot be reissued as coin at anything approaching the old equivalent, and the hoarding of silver is thus discouraged. But the habit is not changed, for the native has now begun to convert gold coin into ornaments in place of silver, and it is impossible to tell how much gold has already been absorbed in this manner. It is said, however, that in 1910, about eighty-five million dollars in gold was taken by India, and the amount is yearly increasing. The absorption of gold, therefore, by India is an important element, acting as it undoubtedly does to check the upward movement of commodity prices.

How Would You Conserve All Interests in this Case?

What would you do in a situation of this kind? A buyer of long standing with you finds that his year's inventory shows a balance upon the wrong side of the balance sheet, and submits the following financial statement, actually taken from a recent inventory:

ASSETS.	
Stock on hand at cost	\$4,563.21
Accounts collectible	2,746.35
Accounts doubtful	2,437.28
Cash on hand	649.34
Total business assets	\$10,396.18
LIABILITIES.	
Owing for merchandise to mature	\$2,896.45
Owing for merchandise past due	1,965.87
Owing to bank to mature	2,000.00
Total liabilities	\$6,862.32
Surplus	\$3,533.86

Desiring sincerely to act as the debtor's commercial physician, not actuated by motives merely of self-protection, what advice would you give this inquiring debtor, and what would you suggest that he do in order that the mutual interests of himself and his creditors be best conserved?

RETAIN THIS FOR YOUR FILES

Messrs _____

We give you below OUR EXPERIENCE with

Name _____

P. O. _____

RETURN THIS TO US

Messrs _____

Kindly give us below YOUR EXPERIENCE with

Name _____

P. O. _____

Yours truly,

APPROVED AND ENDORSED BY
NATIONAL ASSOCIATION OF CREDIT MEN

MEMBER NATIONAL ASSOCIATION OF CREDIT MEN

Sold Since _____

Terms _____

Highest Recent Credit \$ _____

Owing Now { On Open Account, \$ _____
 { On Notes, \$ _____

Past Due { On Open Account, \$ _____
 { On Notes, \$ _____

First Order, \$ _____

Other Information _____

MANNER OF PAYMENT

- ☐ Discount
- ☐ Prompt and satisfactory
- ☐ Slow but considered good
- ☐ Slow and unsatisfactory
- ☐ Pays C. O. D.
- ☐ Sell for cash only
- ☐ Account secured
- ☐ Notes secured
- ☐ Account closed for cause
- ☐ Makes unjust claims
- ☐ Collected by attorney

The Association's newly adopted Trade Inquiry Blank. They will be furnished members only, the prices being:

Lots of 500 - - - \$3.25
Lots of 1,000 - - - 5.00

Prices include the imprinting of name, business classification, and date lines.

Write the National Association of Credit Men,

41 PARK ROW NEW YORK, N Y

Two Incidents—Widely Separated, Yet Related

In a group of experienced credit men, a discussion came up over the luncheon table, a short time ago, regarding the influence of nationality on credit questions. One told of his experience with an attorney who had charge of a claim in New York state, this attorney having warned against having anything to do with the account when questioned a few months prior to the trouble, his advice being based purely on grounds of nationality. His letter had read somewhat as follows:

"Anyone who will trust a (naming a nationality whose home country borders the Mediterranean) with a two-cent stamp will, in my opinion, be the loser of the aforesaid stamp.

"There are in my community some six or eight thousand of this nation's representatives and with ample opportunity to study the race, I do not know of more than two worthy of confidence and sometimes I have had my doubts even of them."

The credit man had simply replied to this letter that the attorney's report, without anything to support it to indicate how he had reached his conclusions, did not carry any weight whatever, especially as from other sources, information had come that the party was financially responsible and had a clear record. Of course, went on the credit man, one has to exercise more diligence and vigilance in handling the credits of some races than of others simply because there is a difference in the mental and moral development among immigrant peoples but, while the study demanded in handling cases among certain races must be closer than in others, he had found such varying degrees of moral and mental responsibility that it would be unfair and unworthy of a judicially minded credit grantor to condemn a class or nation so sweepingly as had the attorney referred to. The only thing, he said, in this problem of nationality which almost always aroused his suspicion is the change of name, the assuming, for instance, of a name which belongs to Erin's Isle by a former dweller of the Mediterranean region. Yet even here, he said he had again and again met exceptions to prove the rule so that the sum and substance is that after a while as the credit man gets experience, he makes fewer and fewer decisions purely on a categorical basis; he finds that while there are guide-posts that cannot be ignored, the credit grantor must depend on the seventh sense, perhaps better the "hunch" that J. F. Jordan, of Minneapolis, tells about in the February BULLETIN.

We were passing through the great railroad terminal with its scores and hundreds of men and women all speeding for the various trains that were to take them home. All were actors in a scene of life and activity. Each, intent on getting to his destination, paid scant heed to his fellows, but there was a gallery, and it was filled with earnest on-lookers made up of those who, until three weeks ago, had called another land their home, and were soon to be fellow citizens with the strange people now running hither and thither before them.

"Fine looking fellows they are," said I to my friend; "they look as if they had in them good promise; probably will have substantial bank accounts in a few years." "Yes," was the reply, "and some of them will

be capitalists, too. I had one come to me a little over two years ago, an Austrian, who had been here but a few months, and he wanted me to extend him a credit. I liked his looks. He was frank and knew what he was going to do with the stuff he was to buy from me. I decided to sell him and so extended him a credit of \$40, and he has been buying of me right along ever since, paying me just exactly as he agreed to, and the other day he came into my office and laid down a thousand dollar bill and said in remarkably good English, for he had made wonderful progress in learning the language: 'That is the amount of goods I want to buy from you today because I am going to open up another store where I can do a good business. The money is all mine; I have saved it since I came here.'"

The amazing thing about this country, as has often been pointed out, is its power of assimilation. It seems to be a great melting pot in which the nations of the world are being amalgamated, and, after all, those responsible for the granting of credit have an important hand in the assimilation process, teaching these newly arrived nations our methods of living, and particularly of doing business, putting them in the way, with their native inclination to thrift, to become important factors in the expansion of the wealth of the country.

Thoughts for the Young Credit Man

In his talk before a class on credit management, President Rosson of the Baltimore association urged in a new way the importance of frankness on the part of those seeking credit. Nobody, he said, is looking for the perfect merchant, the man who presents a flawless risk, but every credit grantor wants to know where are the flaws, and it is a good deal better that the merchant be frank and have his creditors or prospective creditors learn about the flaws through him than that he hide them only to have them uncovered by others.

Mr. Rosson said that by talking along this line he had frequently secured information from an applicant for credit which he could not in any other way have secured, or at least without much pains and trouble.

Another item Mr. Rosson brought out in speaking of reciprocal dealings was that we must be certain of the confidence of those from whom we ask information, for few are there who will deliberately tell an untruth to those who tell the truth. If we are sharp, it will be promptly recognized and we will be sharply dealt with; if we are dishonest, we will get dishonesty or sharp rebuke in return, for we get what we deserve in reciprocal dealings in the long run. You cannot buy credit information by paying cash for it, at least that sort of information that counts for vastly more than that which one gets through an agency contract. You have to pay the coin of honest, straightforward information, kind for kind, to get the information which will come nearest helping you play safe. Information which you pay cash for anybody can have, but information which you get in exchanging kind for kind is what gives one credit grantor the real advantage over another.

Who reaps the harvest, asks Mr. Rosson in this same talk, in that trade center where credit grantors travel on the "go it alone" policy? Is any one merchant or any group of them better for it? Hasn't it been proved again and again that they all are losers and that the only benefits accrue to the unscrupulous and the ne'er-do-well traders who have just

been able to play one merchant against the other because of this "go it alone" policy?

We will never, says Mr. Rosson, get rid of the illegitimate trader, the man who is a constant thorn in the credit grantor's side, while the "go it alone" policy is uppermost, and we will never be fair to the trader who is entitled to our confidence and whom we need as an arm of our business until we abandon that policy.

Mr. Rosson calls attention to the fact that, contrary to general opinion, business is not consolidating extensively, figures showing that in thirty years the increase in the number of concerns in the United States has more than doubled the rate of increase in population as represented in percentages, and in the last decade, the total number of concerns in trade has increased over one-third while the population has risen only one-fifth, which means that the duties of credit granting have grown rapidly more and more arduous and call for co-operation more refined and complete than ever before.

Definite Arrangements for Interchange of Credit Information Among Local Bureaus

With a view to giving effect to the decisions of the committee in charge of the interchange of credit information among credit exchange bureaus, a meeting was held February 28th of representatives of those bureaus located in what is to be known as the North Atlantic Zone, including the bureaus already organized at Boston, Syracuse, Newark, and Philadelphia. Secretary H. A. Whiting represented the Boston bureau; P. Ridings, the Syracuse bureau; Charles S. Kaighn and H. T. Frey, the Newark bureau; and Secretary J. A. McKee, Jr., the Philadelphia bureau. After the discussion of the purposes and advantages of interchanging information by zones, it was decided to organize by the election of Herbert A. Whiting as chairman of the zone, and the following plan of interchange between the four credit exchange bureaus was unanimously adopted:

"The credit exchange bureaus operating in the North Atlantic Zone, at present comprising those connected with the Boston, Syracuse, Newark, and Philadelphia associations, are to interchange with one another without charge, solely upon a reciprocal basis.

"It is understood that should any bureau in the zone, as a matter of service to another bureau in the zone, assemble and supply ledger experiences, it would be looked upon merely as a courtesy and not required by this plan of control.

"Interchange is to be made through regular inquiry forms uniform and simple in make-up, a supply of which is to be had at exact cost to each of the bureaus.

"Inquiries are to be answered by each of the bureaus on the day they are received, so far as it is possible so to do.

"Each of the bureaus receiving information from another bureau in the zone is, in response to an inquiry, to furnish within a reasonable time a copy of the complete report furnished the inquiring member.

"A copy of the complete report referred to in the paragraph above is to be mailed to each of the bureaus in the zone.

"The arrangement for interchange is to be looked upon as tentative and is to continue until May 15th, and thereafter unless a protest

is filed against the arrangement by one of the bureaus, in which case a review is to be made of the plan and operations by the committee on control, which is to consist of one representative from each bureau,—Messrs. Whiting, Ridings, Kaighn, and McKee.

"The committee is to continue for a period of one year, or until successors are appointed, and is to meet at least once in three months, subject to the call of the chairman.

"Additional bureaus organized in the North Atlantic Zone may become parties to the agreement by accepting the general plan here outlined.

"Disputes between the bureaus in the zone are subject to arbitration, Curtis R. Burnett of Newark and Secretary J. H. Tregoe being designated as arbitrators of the zone.

"The plan becomes operative on March 15th if then accepted and subscribed to by the representatives of the four bureaus named."

Cincinnati—the City of the Eighteenth Annual Convention

FROM AN INDUSTRIAL AND COMMERCIAL STANDPOINT.

As a distributing center, Cincinnati occupies a situation unsurpassed. There is no path leading into or out of Cincinnati untraversed by a railway, with her great harbor of uniform depth of nine feet and extending a distance of twenty-one miles along the Ohio River, from Fernbank to New Richmond, furnishing to her unequalled transportation facilities—with adequate transportation furnishing the right solution of prosperous conditions of trade and commerce. One of the railways—the Cincinnati Southern—Cincinnati built for herself, in the face of opposition that would have deterred other cities from attempting the great enterprise, but only spurring on the citizenship of the one city in all the land in constructing, owning and, for a time, operating a railroad which opened the gates to the South and has kept them open to an enormous and increasing trade each year. No longer operating, but leasing her railway, Cincinnati enjoys the handsome income of \$1,250,000 annually from the lessees and continues to reap the benefits of her sturdy determination to seek the South and bring its trade and commerce to Cincinnati.

The solidity of Cincinnati is further shown in the fact that she is the only city in the land issuing \$2,000,000 in bonds for waterworks purposes at a three per cent. rate, and selling them at a premium which brought the interest to a 2.82 basis.

The industrial district of Cincinnati, in the census enumeration, includes Cincinnati proper, with a population of 392,000, on the north bank of the Ohio, and Covington and Newport, with combined populations of 104,671, and the outlying suburbs of Cincinnati proper, with a population of 45,404, or a grand total of the Cincinnati industrial district of 538,075. The gross municipal debt of Cincinnati proper is \$58,417,066.72, inclusive of the bonded debt for the construction of her great asset, the Cincinnati Southern, with her net municipal debt \$20,942,288.83. And with it all she is the largest exporter of home-made goods of any city in the United States. Of labor troubles or disputes Cincinnati is practically free. The Commissioner of the Metal Trades Association has borne testimony to the fact that Cincinnati is freer from labor troubles than any other manufacturing city in the United States, and from the facts stated it is inevitable that Cincinnati must and will ever advance on sound and enduring lines, without the flourish of some cities

possibly, but with results that tell for the general good of the entire community.

In the manufacture of machine tools Cincinnati leads the world. The annual output of that industry alone is in excess of \$25,000,000; in liquors her annual output is \$43,000,000; in furniture and office equipment, \$12,000,000; vehicles, including automobiles, \$15,000,000; clothing, \$25,000,000; meats and kindred products, \$25,000,000; soap, \$27,000,000; pianos, \$10,000,000; shoes, \$26,000,000. Within the Cincinnati district there are two hundred and fifty kinds of industries. She is the greatest lithographing center in the United States; she has the largest tannery under one roof in the world; she is the chief coal distributing center in the United States; she has the largest harness and saddlery



OHIO ON ONE SIDE, KENTUCKY ON THE OTHER. THE GREAT SUSPENSION BRIDGE LINK AT CINCINNATI.

works of any American city; the largest office furniture factory in all the world, and the largest woodworking machinery plant, the largest trunk factory, the largest compressed yeast factory in the entire world. She ranks second in the production of women's cloaks and suits, third as a jewelry center, and third as a shoe manufacturing center. Her bank clearings exceed by far the clearings of any city of the Middle West save Chicago. They are far in advance of the clearings of Cleveland, exceeding the clearings of the latter city by \$264,977,455. Her total capital invested in industrial establishments is \$176,769,226, an increase of 40 per cent. in five years; she gives employment to 72,735 wage earners, with annual wages of \$33,932,557, an increase of 25.8 per cent. in five years; salaried employees in her industrial establishments receive \$10,929,628 annually, an increase of 52.8 per cent. in five years; her materials used in her industrial establishments are valued at \$102,721,628, an increase of 28.9 in five years, with her industrial output totalling \$203,095,605, an increase of 23.7 per cent. in five years.

Her bank clearings exceeded \$1,300,000,000 in 1912; her postal receipts are far in excess of any other Ohio city and are increasing rapid-

ly; her river tonnage is estimated at \$50,000,000 and her rail tonnage at \$400,000,000 annually, from the most carefully compiled statistics. In addition to her industrial output, her annual trade in dry goods, clothing, shoes, groceries, and pig iron exceed \$175,000,000 annually, and with it all there is a steady increase to the enormous industrial enterprises of the Ohio valley, the richest valley on the globe, which exceed \$5,000,000,000 in value annually—according to the statistics of trade and commerce issued by the Census Bureau—not counting the tremendous commercial and agricultural establishments and resources.

The stranger visiting Cincinnati, with her tremendous industries and commercial and financial interests, will find most cordial welcome. Her gates are never closed; she has nothing to conceal nor anything of which to be ashamed. It was in Cincinnati the great Ohio Valley Improvement Association for the improvement of the Ohio River was organized—an association for the purpose of urging on the Congress the value of the great Ohio River, especially in bringing to the doors of the great establishments that line both banks of the stream the fuel they needed from the mines of the states bordering on the river. And the work of the association has brought fruit to the valley and added industries and commercial establishments to Cincinnati. The nine-foot stage is assured; many of the dams have been completed, and with the completion, the future of Cincinnati as an industrial center will not only be assured but made emphatic, with all the valley profiting thereby!

Regarding hotel reservations for the Cincinnati Convention (June 17-20), address O. S. Larkby, Edwards Mfg. Co., Cincinnati, O.

The Next Step in Improving Credit Conditions

One of the most successful credit grantors in the country has pointed out that with all the progress that has been made in getting together in exchanging credit information, little real progress has been secured, except in a few states, in adjusting credit breakdowns. There are none but will admit the soundness of the principle of friendly adjustments where fraud with its complications, has not entered. The trouble is, as this party declares, creditors pass over their tottering accounts unconditionally to collection agencies who needlessly force estates into bankruptcy though they would yield far better returns to creditors if otherwise handled. It can only be concluded that in such cases the possible fee is the great incentive to the agency's action.

Quite as frequent a cause of trouble is the fact that one or a small group of creditors refrain from entering a friendly adjustment with the expectation that they will be bought out in order to avoid bankruptcy proceedings and that they will thus gain that preferential position over other creditors, the demoralizing influence of which largely brought about national bankruptcy legislation.

Credit grantors should be alert to the situation and recognize that the next step in orderly progress in bettering credit conditions is the cultivation of friendly adjustments as representing that parity and equality between creditors that is fundamental if order is to replace chaos.

An active member of the Association in referring to the above paragraph says that it is undoubtedly true that collection agencies often needlessly force estates into bankruptcy when better results could be obtained if handled otherwise. It is generally conceded, he says, that collection

agencies have become established and are here to stay and with this as accepted, the question arises as to what can be done to prevent them from precipitating unnecessary bankruptcies. My concern, he says, uses a half dozen or more collection agencies. We found the tendency that I referred to, that they tried to collect accounts regardless of the consequences to the debtor but we told them that we could better admire their aggressiveness if their efforts were tempered with more discretion; that while we wanted the money due us, we also wanted judgment used in the matter of collecting accounts and were not in favor of forcing a customer into bankruptcy when through a little tact, diplomacy, or leniency, the same results could be obtained without jeopardizing the customer's business; that we wanted men kept in business rather than forced out of it.

The result was that these agencies exercised more care and better judgment in handling our accounts and that we received more comprehensive reports making us better able to judge conditions and placing us in a better position to give definite instructions.

It has been our policy whenever we received letters from delinquents indicating that they were in straightened financial circumstances to give them a heart to heart talk advising them to take their creditors into their confidence. We always urge that if they would furnish us with a statement showing their exact financial condition and giving such other particulars regarding their business and would furnish us with a list of creditors and amounts owing each, we would take up the matter with other creditors and afford such relief as, under the circumstances, would be found necessary or advisable. In the great majority of cases, this was effective, the debtors showing a proper appreciation of the service offered, and we have thus been able in many cases to save the business for these delinquents when otherwise it would have gone completely to pieces with creditors realizing a small per cent. on their accounts. The moral is that the credit departments of concerns more generally must bring about an appreciation on the part of their customers that they have the latter's best interests at heart and especially if, for one reason or another, they were having difficulty in meeting their obligations. If this spirit of confidence were better fostered, a great many failures would be avoided and salvage largely increased. There is too much tendency, he says, after a concern has placed a claim with an attorney to cease giving attention to it except possibly to urge the attorney to hurry payment, some concerns carrying this policy so far as to pay no attention to letters received from debtors or, if answer is made, it is terse and to the effect that "the claim is out of our hands and we refer you to the attorney having the matter in charge." While this is all right in some instances, it becomes bad as a habit for communications from customers should receive thought and consideration even after the claim has gone to the hands of an attorney.

Every member of the National Association of Credit Men should remember that the Association is himself and that the success or failure of its endeavors rests with him and his willingness to pull and push with others for the development of its work. This applies first of all in giving the Association power through increase in membership, and secondly, in helping it overcome that which resists the development of its purposes.

How to Avoid Another Panic

FROM STENOGRAPHIC REPORT OF AN ADDRESS MADE BY DAVID R. FORGAN,
NATIONAL CITY BANK, CHICAGO, ILL., BEFORE THE JANUARY
MEETING OF THE NEW YORK CREDIT MEN'S ASSOCIATION.

The life-blood of modern business is credit—not gold. Credit starts enterprises, moves wheels, builds railroads, wages wars, makes civilization. The modern business world lives, moves and has its being in credit. You tell me, for example, that the banks in New York have two billions of deposits, and someone says, "What a lot of money!" Nothing of the sort. Bank deposits are not money. Bank deposits are on the other side of the ledger. The money in the bank is an asset. The deposits of the bank are its liabilities. Materially, they are nothing on earth but figures on a ledger—a mere memorandum of how much you stand to lose when the bank fails.

Again, you tell me that the banks in this country have issued \$750,000,000 of currency, and again you say, "What a lot of money!" And again I say, "Nothing of the sort!" Take a bank-bill out of your pocket and read it. It says such and such a bank promises to pay bearer five dollars or ten dollars. That is not money. That is a credit instrument, a promise to pay money. It is secured by the bonds of the United States Government, but they are another form of credit, and what you call money is largely credit, either credit of the government, or the credit of the bank backed up by the credit of the government. Gold coin is the only unqualified money.

All the stocks and bonds dealt in in all the stock exchanges of the world, all the huge national debts and state debts in the world, all the tremendous international trade balances one way or another, all the bills and accounts receivable on all the ledgers of all the world, and very nearly all of what you call money in the world are only different forms and expressions of this wonderful thing you are dealing in every day called "Credit." Today the whole civilized world is bound together by invisible ties of mutual interest through credit. Some time ago Germany and France were on the borders of war over Morocco and the European bankers said, "No, we will not finance a war for such an insignificant country as Morocco,"—and there was no war. Time was when Olaf, of Scandinavia, for example, might swoop down on England, and if successful, gather together all the gold he could and make off home, and be just so much the richer. Today, if a continental army were to invade England and were to take London, and if they were foolish enough to sack the Bank of England of its gold reserves, the Bank of England being the center-pin of the modern financial system, the merchants and bankers of the country from whence that army came would lose four or five times as much by the shock to the modern financial system of credit as the army could possibly take home in gold coin.

You deal in credit, and to you it is merely the means by which people buy and buy and pay bye and bye. It is a great deal more than that. It is a kind of element in which modern business is done, ninety-five per cent. of it, and, in some cases, ninety-nine per cent. of it. To you has been given the sanitation of modern business. You are the doctors and physicians of business. You curtail the life-blood of business, or you supply it. You guide it into proper channels; you keep it from going in the wrong direction. It is a noble work, and I am glad to be engaged in something similar myself, because the banks are the hearts from which this life-blood flows.

There is another thing about credit. Did you ever think of what the word means? It comes from the Latin word *credo* (I believe), and every transaction performed by credit involves the belief on the part of one man in the integrity and character of another man. So character, although some of our politicians do not seem to know it, lies at the very foundation of modern business, and no modern business can long endure that is not built on that foundation.

But to come down more particularly to my question, "Financial Reform, or How to Avoid Another Panic."

Andrew Carnegie once said that the American banking system was the worst in the world. After doing business for a good many years as a banker in this country, having formerly done banking business in two other countries, I am pretty nearly ready to agree with Mr. Carnegie. Mark you, he did not say that the banks were the worst in the world. Far from it. I think the American banks on the whole are the best in the world. The banks all over this country, as a rule, are well manned, well managed, and deserve and enjoy the confidence of the communities that they serve. It is the *system*, or *relation of one bank to all the others*, that is wrong. Perhaps it would be more correct to say that what is wrong is that there is no system, because the moment we have a financial cloud in the sky of this country, the banks divide up into about twenty-five thousand units incapable of helping any of their neighbors, and equally incapable of getting any assistance from their neighbors.

I do not know how you feel about it, but I feel it is pretty nearly a national disgrace that this great country, blessed by God with the greatest national resources of any country in the world, containing, I believe, the ablest business men in the world, fortified by more gold than is held by any three or four of our competitors combined, I say it is nothing short of a national disgrace that this is the only country in the civilized world that has had panics—(and it has had about half a dozen), causing general suspension of the banks—within the memory of living man.

In 1907, only five short years ago, our good banks were all suspended. I had just started a bank. It was only a few months old. There was not an asset in that bank that I would have sold for 99¾ cents on the dollar, that is, there was not at that time! I had not had time to get into any mischief. But do you think that made any difference? It made no difference whatever. I had to suspend just the same as the others. Financial stress existed all over the world in 1907. Only in the United States of America was there general suspension on the part of the banks. Our panics are always sharply cut off by our national borders. In 1893 or 1907 I could have taken any of you to several places in this country separated from Canada only by a bridge. and at one end of the bridge I could have shown you panic and suspension, at the other end of the bridge confidence and normal conditions. Even our neighbor to the south, Mexico, had no panic.

The question is, How long are you going to stand it? We have, as a nation, for a long time gone along and done very little about this thing. We have been like the farmer the hole in whose barn roof was never mended, because when it was raining he could not mend it, and when it was dry it did not need mending.

Three years ago this government appointed what was known as the National Monetary Commission. It was asked to go abroad and to consult with the ablest financial leaders of the various great countries

of the world. It came back here and consulted with the ablest financiers in this country, and then it pointed out what there was in those other financial systems, what they had and we lacked, that enabled all other civilized countries to avoid incipient panics, while, in our case, everything we do when there is a cloud in the sky seems only to bring a panic the more surely and swiftly on our heads.

That commission has come back and has reported. Their statement is just as clear to me as if this country had been the only country for seventy-five years that had been suffering from periodic attacks of smallpox and finding that no other civilized country had those periodic attacks, but used to have them, it had sent a commission of the ablest doctors and asked them to find out why these other countries did not now have periodic attacks of smallpox while we still had them. And these doctors had come back and said: "There is a thing called vaccination that stops periodic attacks of smallpox and we should adopt it." Of course, we would have some drug clerk out in Podunk who would tell us that he knew far more than all the medical doctors of the world, and we would have to listen to him, I suppose. But would he?

We have had such a commission appointed. They have exhausted the subject. Now, does it not become us to listen respectfully to what they have to say on this matter? What do they tell us? They tell us that we lack chiefly four things. I will be as brief as I can, although this is not a subject that one can be as brief on as one would like.

First, they tell us, we lack elasticity in our currency. Those of you that remember 1907, if you were in the banking business, and had to buy government bonds at 109, paying \$109 for \$100—getting your \$100 back in due time—you will remember how elastic our currency was! During that period I referred to a few moments ago when Germany and France were at loggerheads, Germany issued over one hundred millions of new currency in a week. We could not do that in a year. And those of you who are not in the banking business remember the "milk-tickets" that the Clearing House Committees issued all over this country in 1907. It requires no words of mine to convince you that this currency of ours, secured as it is by government bonds, and absolutely good, is also absolutely rigid. It neither expands nor contracts, as the varying needs of commerce require it to do.

Another point is, that a gold dollar, in our currency, never counts for more than a dollar. It does not matter where it is, whether it is in the hands of the government or in our vaults, it only counts for one dollar.

In Germany, for instance, a gold dollar is the basis for the issuance of three paper dollars, the Reichsbank having to keep 33 1-3 per cent. gold reserve against their note liability in exactly the same way as the law compels us bankers to keep a certain gold reserve against our deposit liability. In other words, the currency of Germany is one-third gold-secured and two-thirds asset-secured currency.

The second thing that the doctors tell us we need is mobility of reserves. What is it that leads to actual suspension with us? A good many different things may lead to panic. But what leads to actual suspension? I will tell you, and I have told the same thing to as many country bankers as there are men in this room. It is the country banker that causes a panic, and only the country banker. The business man gives us very little trouble. And how does it happen? Let me give you an illustration:

Suppose the First National Bank of Albany, N. Y., has \$1,000,000 of deposits. The law of this country requires that it must keep a fifteen per cent. legal reserve, but of that fifteen per cent. three-fifths may be kept in New York to the credit of the First National Bank of Albany with a New York bank, and only two-fifths need be kept in the Albany bank's own safe. So that, in normal times, the First National Bank of Albany has \$60,000 of cash in its safe—six per cent.—and \$90,000 in the bank at New York. Well, now, something happens in New York that frightens the whole country. It always happens in New York. I do not mean that as any slur. There is nothing that can happen big enough anywhere else.

The president of the First National Bank of Albany picks up his paper at the breakfast table and he sees that something has happened in New York. He goes down to the bank and says to his cashier: "Mr. Cashier, how much money do we have in New York this morning?" and the cashier says, "\$90,000," and the president says: "Of course, I do not want to seem frightened, I do not want to discommode New York, but I would feel a little easier if we had a little more money in the safe. Telegraph for \$20,000." That seems very reasonable. We would all do it, every one of us; we would all act just that way. Now, if the New York bank had \$90,000 of legal tender or gold coin in its safe—marked as the property of the First National Bank of Albany—then it would be very easy to ship \$20,000 out of it; but, as you know, the New York bank has nothing of the sort. It has a credit on its books (merely part of its deposits) to the First National Bank of Albany of \$90,000, against which the law requires it to keep just about \$20,000; so that when that telegram comes in, and the New York bank ships the \$20,000 to Albany, it has parted with all the reserve it has in the world against the deposit of the First National Bank of Albany outside of that bank's own safe, and the New York bank is left with \$70,000 of deposit liability, against which it now holds no reserve. And what happens in Albany happens everywhere. They all act alike.

What caused the actual suspension in Chicago, for example, in 1907? Something happened in New York, and the people all around, in Peoria, Kansas City, Minneapolis, St. Paul, everywhere, wanted to get money out of New York. So what did they do? They sent us in their drafts on New York; they ordered us to send the cash; and in one short week the national banks of Chicago had parted with over half of their legal reserve, and still owed more than they did at the beginning of the week. What could they do? Stand it for another week and then shut up shop? Of course they could not. They did the only thing they could do. They shut up as long as they had something left, and suspended cash payments. And that is the way it always happens. It is the system. I am blaming nobody. I do not blame the president of the First National Bank of Albany, or Peoria. He is acting as I would act and as you would act under the same circumstances.

Then what happens? New York is the only place you can call loans in this country and get them paid promptly; and when they start a thing such as I have been describing, these city banks first fortify themselves and try to meet the demand by calling loans. Of course, that makes falling markets, and falling markets make more uneasiness, and panic bursts on our heads before we know where we are.

This is an important subject. We have just passed through sixty days (November and December, 1912) of the tightest money we have

had since 1907, and in any one of those sixty days that are now past if anything had occurred to frighten people, no matter if it were not a reasonable fright, we could and would have had suspension again.

Now, the third thing these financial doctors tell us we lack is liquidity of bank assets. In a country dominated by a great central bank, the other banks have a place to go to and get their short-time paper turned into cash. If that great central banking institution has the power, as most of them do, of issuing as currency its own notes, then the amount of relief that it can give to other banks is almost unlimited. In addition to that, these foreign banks have what they call prime discounts. The bank accepts a draft of its customer, or on its customer for its customer, instead of taking the customer's promise to pay. These bank acceptances then become what are called "prime discounts," and there is a regular market for them in exactly the same way as there is always a market for wheat on the Board of Trade of Chicago. I have seen the day more than once in this country when you could scarcely sell government bonds, but I have never seen the day when you could not sell a bushel of wheat. There is always a market for wheat at some price on the Board of Trade at Chicago, and there is always a market in these great centers for "prime discounts" at some price. That is a thing totally unknown to American banking.

The fourth thing is the centralization of banking power closely allied to the National Government. Now, you need know very little about finance to appreciate the wonderfully quieting influence the action of a bank closely allied to the National Government has. When that bank acts, panic disappears. Panic is unreasoning fear. Any crowd gathered in any room could have a panic if someone would call "Fire!" although there was no fire, and some of us might get hurt before we could get out.

But fear cannot exist in the minds of the people when their great central bank, to which they have been taught to look up for centuries almost, comes to the rescue of any situation, meaning, as it does to them, that their National Government has come to the rescue.

For example, when Baring Brothers failed in 1890 a thrill went through the whole financial world. In this country we pretty nearly had a panic on account of it. What happened? In twenty-four hours it was announced that the Bank of England had come to the rescue. We learned later that the Bank of France was behind the Bank of England. That was enough. People's nerves were quieted. Panic disappeared when that great bank announced itself as having taken hold of the situation. The Bank of France has several times saved the situation in the same way. Once, when the old Comptoir had a run and two hundred millions were taken out in two days, the Bank of France came to the rescue and panic disappeared. Again when the Union Generale failed, the Bank of France announced that they would take care of the other bank's discounts, and they put the rate down instead of putting it up. Panic disappeared. We have nothing of that sort in this country.

How, then, does this commission propose to meet this situation? They propose to unite all the banks of the country, national and state, in what is to be called the National Reserve Association of the United States. It is to be a great bank of the banks. It is to be owned proportionately by all the banks, state and national, that care to come in and can qualify. Twenty per cent. of their capital is to be put into this

institution. It will possibly have three hundred millions of capital. It is to be the fiscal agent of the government and hold government deposits, and it is to hold reserves of the banks. The banks will pool their reserves in that institution. I am not going into the organization of that institution. It is a little intricate, and will probably be so changed before we get it into final shape that it is hardly worth discussing now. The point I want to bring out is the principle that is advocated. They are just as sure, these men who advocate that plan of reserves, that it is a sure cure for panics as the doctors are that vaccination will prevent smallpox.

The first thing to do is to meet the required elasticity of our currency. This great institution is to buy all government bonds securing the currency of about seven hundred and fifty millions and assume the currency, and, in addition to that, it is to be allowed to issue up to twelve hundred millions, including the seven hundred and fifty millions, so long as it has fifty per cent. legal reserve against it. And from that down to thirty-three and one-third per cent., it is to pay a gradually increasing tax. For every two and a half per cent. decrease of reserve it is to pay one and a half per cent. tax. That, you can see, will at once give the power of expansion to that institution. That means elasticity. Now, that expansion is three or four times enough to have taken care of the panic of 1907. How did we take care of the panic of 1907? Chiefly by importing about one hundred millions of gold from the Bank of England. How much gold did we have at the time in this country? About fifteen hundred millions. How much did the Bank of England have that we took one hundred millions from? Only one hundred and sixty millions. But they had it all back again in a few weeks. They understand the modern system of finance, and by raising the rate of discount they can attract gold from all over the world, in exactly a similar way that a man short of wheat in Chicago would pay more for wheat in Chicago than Minneapolis or Kansas City, and wheat would come to Chicago.

This institution is to have branches. The country is to be divided into districts and in each district it is with the branch in that district that the banks will have to deal. At each of these branches the notes of this institution will be redeemable in gold. That would give the other side elasticity, ready redemption. You again have elasticity, because elasticity means to contract after the pressure has been removed as much as it does to expand when the pressure is put on. Thus inflation would be prevented, because there would never be more currency out than was required in the channels of commerce.

The second thing to take care of is mobility of reserves. Do you know that among the other blessings of this great country of ours, we are the only country that is blessed with a law that requires us to keep a legal reserve of a certain figure against our deposits? That law of legal reserves is quite ridiculous. There is not a bank in this country that can possibly keep it. We try to keep it. But how can we? For example, if my reserves in Chicago are the legal twenty-five per cent. this morning, and tomorrow morning I am \$1,000,000 behind at the Clearing House, I have either to use the one million and pay the Clearing House, or I have to shut up my shop, one or the other. Of course, I pay the one million to the Clearing House and I go short of reserves for a while. But the law says when I get into that condition, I must stop loaning, must make no new loans until my reserves are made good. If

we did, how long would we last? Suppose that I have promised one of my customers a loan of \$100,000 today, and he comes in a day or two afterwards and I say: "I am sorry; we were a million dollars short yesterday and we had to run short of our reserves a bit, and the law says I cannot make you that loan, so I cannot do it." He would go out and before he had gone six blocks he would tell six people, and we would last about twenty-four hours. But there is not any bank that would so act. It is like the story of a man who left money to build a hospital. One of the provisions of the will was that there was always to be a bed kept for an emergency, and one day there was a man who was very badly injured and was brought up to the front door of the hospital. Those bringing him were met by the superintendent, who said: "You will have to take him to some other hospital as there is not a bed left." His assistant said: "How about the emergency bed?" The superintendent replied: "Don't you know that that bed must be *kept* for an emergency in accordance with the will of the late so and so, and cannot, therefore, be used?" That is exactly our position. We are told to keep a certain reserve and we are told not to use it at the very time we need it. We keep it for use, and when the day comes to use it, we must not touch it; but we do touch it.

Scarcely a national bank in the last sixty days, in the central cities, has had its full legal reserve, and the comptroller very wisely says nothing about it, because he is broad-minded, and a sensible fellow.

This institution is to pay no interest on deposits, but we are to keep our reserves there. For example, a bank which needs to keep a million dollars reserves will probably keep \$250,000 or \$300,000 of it, just enough to do business, within their own vaults, and put the seven hundred or seven hundred and fifty thousand to their credit with that institution. In a short time the deposits of that institution will be enormous. It would make the Bank of England look small. We would have something to be proud of if we established that institution.

How would it meet a situation such as we have been describing? This matter of reserves I have to stick to a moment yet, for I want to make it still clearer, for it is the crux of the whole matter. Wherever you find financial trouble in a banking system, it is the matter of reserves almost always. When the system does not work right it is because the reserves are not handled right. Now, at present we are just in the same position as the City of New York would be if each householder in New York were told that as a prevention for fire he was to keep one bucket of water, instead of having a reservoir containing a great amount of water with pipes reaching out with the full force of all the water to reach any place that the water is needed. At present all the twenty-five thousand banks in a panic begin to look after their own bucket and try to fill it to overflowing. This institution is going to give us the reservoir. At present, in times of panic you might almost say we have no reserve, because everybody is trying to hold it himself, and trying, according to law, not to use it.

The third thing is liquidity of bank assets. This institution proposes to discount for all the banks, when required, their paper maturing within twenty-eight days, and if more is necessary, the bank can take sixty or ninety-day paper and have it guaranteed by the other banks in the local association and have it discounted also. Here is just the point I want to get into your minds. Suppose we are in a panic and suppose my bank needs a million dollars, and suppose that it has a million

dollars of good commercial paper maturing within twenty-eight days; then I take this paper across the street to the branch of the Reserve Association and they discount it at a rate which will be uniform all over the country. Every bank, big or little, will get the same rate. They take that million dollars of paper and discount it, and put the proceeds to my bank's credit. Then, before the day is over, I say, send me half a million in cash, and they send across the half-million in cash. But what is that cash? It is the notes, the promises to pay, of the Reserve Association of the United States; and they can give it to me without touching the reserve. They do not need to take a single dollar out of their reserves to give me my whole million. They give it to me in what you call money and what would be the national money, but it is their own notes. They have simply transferred their debt to me from the ledger to the note form; and that is cash, and it pays my deposits, and it leaves my bank in good shape.

You can see at once that such an institution can do an enormous amount of business along that line so long as they have fifty per cent. gold or legal tender reserves.

As a matter of fact, this institution we figure would hold about seventy-five per cent. reserve in ordinary times. It would not be a great money-making institution. It is not intended to be. All the profits over five per cent. to the stockholders are ultimately to go to the National Government.

Now, would not that be a good deal better than to call loans on Wall Street? I think it would.

The last thing that is required is a centralization of banking power closely allied to the government. This institution it is proposed to make the fiscal agent of the government. In addition to that, it is proposed to put the Comptroller of the Currency and other government officials on the executive committee, so that we will have an institution very closely allied to the government. In addition to that, the governor and his two deputies, who will be the men that will chiefly run this great institution, are to be appointed by the President of the United States. Now, you hear it said that there is a "higger in the fence" somewhere, and we are told it is Wall Street trying to control all the money of the country. The truth is, Wall Street has control now, and we purpose to move it from Wall Street to Washington, from the hands of the private bankers to the hands of all the chartered banks in the country. There is nothing there worth controlling to anyone on Wall Street. The amount that may be loaned to each bank is so limited that all must be treated alike. That institution could not lend your biggest private banker in Wall Street a single dollar. It could only lend to its own stockholders, the banks.

You are trusting the banks now, every one of you all over this country. If you cannot trust an institution such as I have briefly outlined, owned by the banks, with a directorate gathered from all over the country and from every line of business, with leading government officials in it, whom can you trust with the financial interests of this country?

Recently I was in Washington, where I heard the President of the United States; and I heard him say that there was no question that affected more the common people and the poor people of this country than banking and currency reform. He added, it is not a good question to go on the stump with, it is not a good question to collect thousands of

votes with, but it is the most important question facing this country today.

I also heard Chairman Glass, in a very transparent speech, say to the members of the Chamber of Commerce of the United States: "Gentlemen, I tell you as chairman of the Banking and Currency Committee that if you want this thing you have to ask for it, and you have got to work it." My hope is that the business men of this country will unite in a sentiment that will say to the politicians: "If you do not understand this thing, as most of you do not, then stand aside and let a real business reform go through, a reform that will put this country on a level with its largest competitors in this great matter of national and international credit."

What is the Usual Percentage of Loss Through Bad Accounts in Staple Lines?

At the February meeting of the Boston Association of Credit Men, L. D. Peavy, vice-president of the Babson Statistical Organization, spoke on mercantile losses due to bad accounts. He said that the compilation of the average losses due to bad accounts for a large list of firms reporting in staple lines, such as electricity, shoes and leather, machinery, dry goods, hardware, paper, metal, rubber, textiles, automobiles, and kindred lines, indicates that they amount to about one-fourth of one per cent. This figure, he said, may be considered by credit men for all practical purposes as a suitable criterion for judging their own work; in other words, that if our credit men can keep their average percentage of losses to total sales below one-fourth of one per cent., they may consider themselves as doing better than the average.

The credit man, said Mr. Peavy, whose business shows an abnormally high percentage of loss should waste no time in studying the situation and noting the reason for this abnormal showing. In some instances the reason will be evident. There are lines of trade which must necessarily take more than ordinary risks, and credit men in those lines expect to obtain better profits to offset the higher percentage of loss.

Again, some credit men, for goods reasons, pursue a more liberal policy than others, and it is evident that some classes of business should experience a higher loss than others more fortunately situated. This brings up the thought of credit insurance, said Mr. Peavy. From a careful survey of the field, he had found most mercantile houses preferred to maintain their own reserve as a protection against unavoidable bad accounts.

There is no doubt that an efficient credit man of today is able to save his concern a great deal of money, and an up-to-date credit department is in many lines all that is necessary to keep bad bills down to a minimum. A great many firms have apparently had experience with credit insurance, carrying it for a time and then abandoning it and relying wholly on their credit departments. As far as his investigation showed, Mr. Peavy brought out that in the lines dealing in wearing apparel such as shoes, dry goods and clothing, in which because of changes of style or unseasonable weather conditions losses are irregular, credit insurance is frequently resorted to.

It is an interesting question, said Mr. Peavy, whether the firms carrying credit insurance show an abnormally high percentage of losses to sales, his investigations leading him to believe that some concerns exercise so much vigilance that even though they carry credit insurance, their losses are no larger than firms which do not.

Mr. Peavy said that it is a particularly interesting fact that a number of firms have found that the percentage of losses has increased considerably during the past ten years. This, he said, may be due to the fact that there is over-expansion in the newer parts of the country beyond the normal growth and development of the section. Under such conditions credit departments become careless and losses increase, and there is not that conservatism that prevails in an area where business is being developed below the normal line of growth of the country.

In the investigations made, that staple line which showed the highest percentage of loss was the group comprising shoes and leather, which averaged four-tenths of one per cent., from which point the averages ran down to as low as one-tenth of one per cent., approximately in the following order: machinery, valves and boilers, dry goods and clothing, hardware, pulp and paper, metals, coal and coke, rubber, textiles, automobiles, and groceries.

Missing Debtors

The parties whose names appear in this list are reported as missing. Any information regarding their whereabouts should be sent to the National office:

Alexander, O. W., formerly of 910 W. Main St., Richmond, Va.; contractor for laying hardwood floors. Last heard from in Baltimore;

Allen, A., formerly of Minturn, Ark.;

Byers, Charles S., formerly of West Point and West Liberty, Ia.; now supposed to be in Oklahoma;

Castle, H. D., formerly in the grocery business in North Branch, Mich.; later in employ of Detroit United R. R. System, with residence at Rochester, Mich.;

Cook, F. W., formerly with the Spirella Corset Co., Pittsburgh, Pa.; later heard from at the Windemier Hotel, Philadelphia;

Craighead, Robert, formerly with the American Sheet & Tin Plate Co. in their Vandergrift Works. Later heard from at the Hotel Martinique, New York, and the Art Club, Philadelphia, Pa.;

Dix, M. D., formerly with Armour & Co., Denver, Col.; later with Morris & Co., Seattle, Wash.;

Fulton, Carl G., formerly of Bremerton, Wash.; later moved to The Dalles, Ore.;

Gallant, Arthur M., formerly of Bath, Me.;

Graham, Mrs. D., Sault Ste. Marie, Mich.;

Hahn, Thomas H., Grant Park, Ill.;

Hillas, Benjamin Lee, Englewood, N. J.;

Keith, M. B., formerly in cigar business at Seattle, Wash.; supposed to have gone to California, Nevada, or Arizona.

Knisely, A. A., formerly of Wise, Va.; last heard from at Mandam, N. D.;

Kramer, M. H., formerly of Cleveland, O.;

Mandel, H. & Co., formerly in business at Woonsocket, R. I.;

Meier, R. W., formerly of Chicago, Ill.;

Michaelson, S. & S., manufacturers of cloaks and suits, formerly at 22 Catherine St. and 130 W. 28th St., New York;

Mick, William W., formerly a contractor in Jacksonville, Fla.;

Miller, C., formerly doing business at 1205 Jones Ave., North Braddock, Pa., as flower and landscape gardener. Supposed to be in Virginia or West Virginia;

Mitchell, R. D., specialty salesman, formerly at 49 W. Kenzie St., Chicago, and 1557 Addison Road, Cleveland, O.;

Murray, M. B., Marshalltown, Ia., now Mrs. W. N. Benedict;

Navasky, Tillie, formerly at 588 Morris Ave., New York City; later in Jersey City;

Ora, Charles, formerly of Colorado City and Colorado Springs, Col., in moving picture business;

Riley, Alexander, 870 6th Ave., New York;

Sauer & Wolven, formerly in business as butchers at Woodstock, N. Y.;

Schosner, G., formerly at Liberty & Grand Sts., Trenton, N. J.;

Spencer, Austin, auction commission house, San Angelo, Tex.;

Stiner, H. S., formerly in the tailoring business in Rochester, N. Y.;

Toelker, Henry V., last heard of at Rochester, N. Y.;

Wallace Bros., railroad contractors, formerly of Hominy, Okla.;

Weathers, George C., railroad and levee contractor, formerly in Alabama; later supposed to be somewhere in Louisiana;

Wechsler, Jos. H., formerly at 130 W. 28th St., N. Y. City; manufacturer of dresses;

Young, Sam S., formerly in cigar and tobacco business in Seattle; supposed to have gone to California. Has lived in Chicago, Victoria, B. C., and Portland, Ore.

Information Wanted Regarding

W. L. Mittler & Company, Transportation Bldg., Chicago, Ill.

W. A. Swanson, furniture dealer, Schenectady, N. Y.

W. C. Moore, Co-operative Wholesale Paints, Syndicate Stores Co., Greenville, S. C.

Michael Fenton, Hessel, Mich.

The time has now undoubtedly come for concerted action in behalf of a banking and currency system built on those well-defined principles of mobility of reserves, elasticity of currency, and established market for the rediscount of good commercial paper, which are essential if we are to avoid the panic periods which have been paralyzing the commerce of the United States every few years. The present world-wide demand for capital points clearly to the imminent need of reform. If the present administration is to give banking and currency reform, the work must not be postponed, for the task is large. Write President Woodrow Wilson, Secretary of the Treasury W. G. McAdoo, and Chairman Carter Glass of the House of Representatives of the necessity of the administration taking this matter up at once.

Is Gold Depreciating?

BY PROFESSOR IRVING FISHER OF YALE UNIVERSITY.

The whole world is excited over the "high cost of living." We complain that the things we buy cost more money than formerly. It would help us if we should more often express it the other way about, by saying that money has lost in its purchasing power. Most people have an easy confidence that "a dollar is a dollar" and always stays so. As a matter of fact, no other units of measure are so unstable as units of money. The yard of today is the same as the yard of a century ago; an ounce has remained at its present weight for generations. Once, it is true, a yard was no more precisely defined than the girth of a man. But business men of today would never tolerate such an unstable unit. It would throw a great part of their contracts into confusion. Yet the unit of purchasing power, the dollar, is still allowed to fluctuate. We have not yet even considered a scientific method of standardizing it. While we have employed scientific experts to standardize every other unit—the yard, the hour and the pound, which came to us from hoary antiquity, as well as the calorie, volt, ampere, ohm, and kilowatt, which are only a generation old—the best we have ever done for the unit of value or purchasing power is to decree that it shall equal the purchasing power of a fixed weight of gold.

The *weight* of the gold dollar remains fixed, but its *value* or purchasing power does not. To be so careful about the size of the gold dollar and so indifferent to the purchasing power it contains is as absurd as it would be to stipulate carefully as to the size of a box of raisins, but to take no notice of how many raisins it really contains.

During the last fifteen years, although the gold dollar has remained the same in size, its purchasing power has fallen to two-thirds of the dollar of fifteen years ago. This shrinkage in the monetary yardstick has injured all those who had expected to receive a fixed number of dollars—salaried men, wage earners, bondholders, savings bank depositors and many others. Interest does not rise as fast as the cost of living and wages are even slower in rising. Wages have remained unchanged for months and years after the cost of living rose and then have had to be pried up by force through strikes from which the whole public has suffered. Few people realize the serious dislocations in business caused by even a slight change in the purchasing power of money.

It is, of course, debatable to what extent various possible factors have contributed to the present upward movement of prices. In my own opinion, we owe the recent rise in prices, or, in other words, the shrinkage of the dollar, partly to the discovery of gold mines and of cheaper methods of gold abstraction, partly to the inflation of banking credits in the form of deposits subject to check, and partly to other causes, the concentration of population in cities (which has vastly facilitated the more rapid utilization of money and of checks).

Whenever there occurs an inflation of any kind people always complain that money is scarce, and this illusion comes from the fact that loans and deposits always tend to outgrow the money basis on which they are founded, if the money basis grows at all. It is a perfectly natural fallacy to think that, when we have trouble in paying our bills, we ought to have more money. But the real mark of abundance or scarcity of money is not to be found in the ratio of reserves to deposit liabilities or to loans, nor in the rate of interest, but rather in the price

level. The explanation of the illusion that a tight money market means a deficiency of money in circulation is that credit inflation outruns money inflation. The sequence of events is a consequent increase in profits to enterprisers; a consequent increase in the borrowing by this same class to further extend their business for the purpose of securing further profits; an increase in loans and deposits in banks; a resulting scarcity of bank reserves in relation to loans and deposits; a high rate of interest to protect these bank reserves; a cry from the enterpriser and banker that gold is "scarce." In reality, the whole chain of events has occurred as a natural consequence of the increasing abundance of money. Equilibrium can only be reached again when prices have gone up enough to utilize the amount of money in circulation, so that there will be no abundance. The situation is one of too much money and not too little money.

Some people are today talking about the great flow of gold to India during the year 1912, and are expressing the hope that this drain to the East will keep the gold from being abundant in Europe, or even expressing the fear that it will make gold scarce in Europe. The truth is that the drain to the East is nothing now, although during the year 1912 it was somewhat unusual in amount. There has been and probably will be for many years a general drain of gold to India, but it would be foolish to jump to the conclusion that because during the last few months this drain to India has shown an increase, that the amount of gold going to India is going to continue to increase greatly—just as foolish as to believe that because the price of eggs has fallen recently that they are to stay low and that the crest of high prices in general has been reached. Those who follow exchanges and prices from week to week are very likely to make mistakes of this kind and interpret temporary phenomena as general trends. In a recent letter from Sir David Barbour I find the following statement: "At present some persons are taking an interest in the great absorption of gold by India. Many fear that this absorption will injuriously affect the London money market. This is not a fear which I have. Even if the absorption continues at the present rate, the operations of commerce will give each country its proper share of gold. Incidentally, I may observe that though no doubt India will take more in gold in the future than she did in former years, the present high rate of absorption is not likely to continue. Indian experts are very much affected by the weather of the year, and the weather of the year tends to run in cycles. At present India is at the top of a boom, but a change will come, sooner or later, and the absorption of gold will then fall off, though in future it will on the average be much higher than it has been in the past."

Moreover, this drain to India really contains a suggestion of the future prolongation of the rise of prices. The gold which is taken to India is literally, much of it, buried in the ground because the older generation still cling to hoarding.

The Hindu's bank is his own garden. But the rising generation is learning to use banks of deposits. This means that the gardens are to be the gold mines of the future and that the gold which lies there dead and buried will be resurrected and will go into active circulation. It will then become a factor in continuing the present upward trend of prices.

For this and many other reasons I believe that, with some interruptions, the present rapid upward movement of prices is likely to con-

tinue for many years. Is it then not time that we should seriously recognize the necessity of stability in business? Is it not time that we should recognize that gold as at present used is not a stable standard any more than silver or paper or cotton? In fact, many staple articles would afford better standards of value than gold. Our fathers have told us that nothing is so "solid as gold." We have developed a sort of gold superstition and this superstition has grown stronger every time financial quacks have sought to substitute still worse standards. It is true that 'tis better to bear the ills we have than to fly to those we know not of. But that bit of practical wisdom was never intended to blind us to the ills we do bear. These ills are not only far greater than the ordinary business man has imagined, but they are, I believe, destined in the future to become greater still. The reason for this prophecy is found in the ever growing tendency to spread the ramification of business contracts. The modern balance sheet has relatively more liabilities than the balance sheet of older times. The modern business man deliberately intends to get in debt and often to keep in debt. Bonds will play a greater and greater rôle in the future. With an ever increasing mass of contracts binding the present to the future, stability is becoming ever more important and instability ever more disastrous.

The general tendency through the ages has been for money to depreciate, and today prices are from five to ten times what they were a thousand years ago. What would we say if the yardstick had shrunk as the dollar has shrunk!

Instability in the dollar makes all business a "gamble." Security of the dollar is the very essence of solid business prosperity. When the dollar is uncertain, "safety" and "security" find no place in the business world. Yet we all continue to call a bond a "security" and speak of gilt-edged bonds as "safe." The "safety" of such "securities" is a mockery. It is true that the holder can rely on getting the stipulated number of dollars mentioned in the bond, but he cannot rely on getting any certain satisfaction with those dollars. He is only certain of getting dollars of uncertain purchasing power.

But is it feasible to secure stability in the purchasing power of money? Is it possible to construct a steady platform on which men can do business instead of having to do it, as it were, on the deck of a rolling vessel?

Evidently if we have some way of knowing how much prices have risen, we can keep the purchasing power of our dollar fixed by adding to it the number of grains of gold necessary to keep it always buying the same amount of commodities. Today our dollar contains 25.8 grains of gold 9-10th fine. If prices were to rise, say 1 per cent., we would then add to the weight of our dollar 1 per cent. of 25.8 grains, which would make our dollar weigh a little over 26 grains of gold. The first question which naturally comes to mind is, how are we to know whether or not prices have risen and how much? The answer is, by the now familiar index number of prices as computed by the United States Bureau of Labor or Bradstreet, or the London *Economist*. The index number of the United States Bureau of Labor is computed on the basis of 257 commodities. When, therefore, the figures of the Bureau of Labor showed that the price of those 257 commodities taken together were 1 per cent. above the par from which we started, we would add to the weight of our dollar 1 per cent. of its weight at the time, so that our dollar would always have a constant purchasing power. The adjustment

of the weight of our dollar would probably occur once a month. This plan would convert our present gold standard into a "multiple standard." Under such a standard the unit would be not a fixed amount of gold nor of any other one commodity, but a composite unit made up of a large number of important commodities. The dollar would be such an amount of gold as would buy a composite ton or package of a specified assortment of staple goods.

Probably the reader is ready to ask, "But do you propose to recoin our gold dollar once a month?" Of course, such a proposal would be ridiculous on its face. To make this situation perfectly clear, let us go back and remind ourselves that our real dollar, our virtual dollar, is not our gold coin, but the 25.8 grains of gold bullion 9-10th fine, deposited in the treasury of the United States, with which we may redeem our gold certificates. The true dollar is virtually 25.8 grains of bullion interconvertible with the literal dollar, which is, of course, usually paper. Thus a bar of gold weighing 25,800 grains of gold contains virtually 1,000 gold dollars embedded in it. If the dollar is enlarged this bar will contain fewer virtual dollars, that is, will be interconvertible with fewer literal dollars, that is, will be bought or sold by the government at a cheaper price. The government now stands ready both to buy gold of the miner and to sell it to the jeweler, *ad libitum*, at \$18.60 an ounce, which, of course, is only another way of saying that each dollar of gold certificates is interconvertible with 25.8 grains of gold bullion. The proposal is simply to vary this price from time to time in accordance with definite rules.

So far as the few actual gold coins in circulation are concerned, they would be treated exactly like the paper money. They would be really gold certificates printed on gold instead of printed on paper; in other words, token coins redeemable in gold bullion. This would not change the gold coin in circulation—so far as there is any in circulation—but merely change according to the change in the general price level, the amount of gold bullion with which the gold coin is interconvertible. In this way, the gold coin would act merely as a "brass check," if you please, to 26, 27, or 28 grains of gold, or whatever the number of grains of bullion then constituting the virtual dollar. The difference of 1.2, or 2.2, or 3.2 grains would be held by the government as a trust fund for redeeming gold coins and certificates in the future. This difference, for convenience, may be called "seigniorage."

Gold coin would then be redeemable not in a fixed quantity of gold, but in that amount of gold which is the equivalent of a fixed quantity of 257 important commodities. When one went to the treasury to redeem his gold coin, he would not receive a basket filled with the 257 commodities mentioned, but he would receive the equivalent at that moment of those 257 commodities in gold.

The plan, if adopted, would not disturb the outward appearance of the world's currencies. The ordinary man would not know that any change had occurred any more than the ordinary inhabitant of India knew that the monetary system was really shifted from a silver to a gold basis. The plan would not abandon the gold standard. It would not interfere with freedom of movement of individual prices through supply and demand. On the contrary, it would release gold from the arbitrary ties which now prevent its price from varying and therefore compel prices of other things to move in the opposite direction. The plan would not intrust any discretion to government officials, but would

be as automatic as our present system of free coinage at a fixed price. It would be free coinage at a variable price automatically determined. It would not in any direct way make the average man richer any more than standardizing the yard did so; but it would make contracts in money more stable and just, and prevent the great upheaval and lack of adjustment between interest, rents, salaries and wages on the one hand, which cannot change rapidly, and the cost of living, which can and does change rapidly. It would, I am convinced, largely prevent *crises* and panics.

The plan has been endorsed by hundreds of prominent men in various lines, statesmen, financiers, bankers, business men and economists. Sir David Barbour, the man most responsible for the introduction of the gold standard into India twenty years ago; Mr. John V. Farwell of Chicago, president of the Citizens' League for Currency Reform; Paul Warburg, one of the keenest minds in Wall Street, have all endorsed the plan. Baron Sakatini, former Minister of Finance of Japan, writes that he has called together the economists of Tokio to consider the plan.

It may take generations before the inertia of public opinion can be sufficiently overcome to permit of the actual adoption of a standardized monetary unit. But today there exists a golden opportunity to turn men's minds into this direction. It is within the power of business men to get a stable yardstick of business the moment they come to realize that it is as essential as a yardstick of length.

Do You Have a Watch List System?

A member of the Association asks for suggestions from managers of credit departments in developing a sort of watch list or report from the bookkeeping department on accounts that exceed a certain amount determined upon as a safe limit of credit, and on accounts that have fallen behind in payments; a system, in other words, that will bring automatically before the collection department daily accounts which require special watching. Will not members write the Association describing systems which they have found work to special advantage.

Parties Warned Against

Members who possess any information regarding the following are asked to communicate with the National office:

J. W. Snyder of Martinsburg, W. Va., who also operates under the name of G. W. Snyder, E. R. Snyder, E. R. Snyder & Co., and E. L. Snyder Co. It would be advisable to keep envelopes in which orders from this party are received, and the envelopes and order should be initialed by two parties, with date of receipt.

Harry W. McCormick, who represents himself as connected with the Salt Lake Hardware Company and has secured loans of various amounts under pretense of having lost his transportation and wallet. The fact that he is acquainted with some of the details of the Hardware Company's business makes his imposition simpler. Anyone from whom he attempts to secure money should have him arrested.

A party representing himself to be S. D. Stevens and associated with Stevens Company of Cleveland, Ohio, was helped by a member of the association in Kansas City with a small sum of money for railroad fare on his statement that he had been robbed and was stranded totally without funds. His story was plausible. He promised to make restitu-

tion the next day, when he expected to meet relatives coming from Buffalo, but he failed to do so.

A party representing himself to be C. J. A. Lindquist of Ogden, Utah, called on a member last month to purchase automobile rolling stock and caskets brought in by his Kansas City salesman to the factory in Illinois. Two days were spent in placing a sixteen thousand dollar order, during which time the credit department of the house got in touch by wire with Ogden to get a description of Mr. Lindquist. In this way it was discovered that the new acquaintance was an impostor, but not until he had reached Chicago, where he was met again by the Kansas City salesman, who demanded restitution for the expenses he had been put to, about \$130. All the salesman could get was a watch and cuff-buttons. In case further attempts are made by this party to impose upon members, the following description is given:

Age, about 45 years; smooth face; florid complexion; height, 5 ft. 7 in.; weight, about 160 pounds; gray hair and eyes; talks intelligently about embalming methods; wears a Shriner's pin; refers in an offhand way to acquaintances in Ogden, Utah, and the West; chews tobacco on all occasions.

Association Notes

Atlanta.

At the meeting of the Atlanta Association of Credit Men held February 13th, Joel Hunter, a well known certified public accountant of the South, made an address on "The Analysis of the Balance Sheet." Mr. Hunter showed the points in the balance sheet which indicate the live net worth of a concern, the items which are to be depended upon in meeting the debtor's obligations in case the concern ceases operations.

The Atlanta Association of Credit Men has established the weekly noonday luncheon, the first one having been held February 19th at the New Kimball, with Wilmer L. Moore, president of the Chamber of Commerce, the principal speaker. His subject was "Blue Sky Laws for Georgia to Come Before the Next Legislature." The meeting was a great success and was characterized by much enthusiasm. It was felt that through the weekly luncheons members would get larger profit out of the association, and it would mean a great deal for its upbuilding.

Boston.

At the meeting of the Boston Association of Credit Men held February 11th, Lieutenant-Governor David I. Walsh spoke on "Humanitarianism in Government." He urged that it is every business man's duty to consider more than his own private interest and to recognize that we are now in an age in which the government must look after the interests of her less fortunate citizens.

Another speaker was Leroy D. Peavy of the Babson Statistical Organization, who spoke on "Mercantile Losses Due to Bad Accounts," reference to Mr. Peavy's address being found in another part of this BULLETIN.

There was also an address by the first vice-president of the association, A. H. Decatur, on the subject "The Growth of the Work of the Credit Men's Association."

The meeting of the Boston Association of Credit Men held March 11th was attended by nearly two hundred members. President Morton congratulated the association upon the steady acquisition of new members, saying that the present enrollment was four hundred and ninety-two, and the end is not yet, for Boston is determined to go to the Cincinnati convention one of the very biggest in the family of local associations. Charles A. Colton of the *Boston Transcript* reported on the senate hearing on the bill providing for the restoration of the office of state fire marshal, and upon his suggestion, it was voted unanimously and heartily that the Boston Credit Men's Association approve this measure.

Vice-President A. H. Decatur gave a brief talk on "The Co-operative Plan for Compensating Salesmen," a subject to which he had evidently given careful study and had tried out carefully in his own business. Mr. Decatur's remarks were given close attention.

Hon. Joseph A. Conry, Director of the Port of Boston, spoke on the development of the port. He said that the time had come when Boston's transportation problem was so big that the state must step in and supplement the activities of private corporations and also stimulate their energies. He deprecated the attitude of those who devote their time to assailing New England's railroad corporations, declaring that it would be better policy to see if the citizens cannot assist in correcting defects through constructive action rather than by recrimination and abuse.

Mr. Conry was followed by Hon. Augustus L. Thorndike, Bank Commissioner of Massachusetts, who spoke on "Our State Banks." Mr. Thorndike pointed out that in the last twenty years the losses of the savings banks had not exceeded nineteen cents per thousand dollars of their deposits in the class of investments on personal loans and that their losses in mortgages for the same period had been about sixty-six cents per thousand dollars. He reported favorably on the credit unions recently authorized by law and the school savings system, the latter having been adopted by more than fifty cities and towns, with over seventy per cent. of the children taking advantage.

Charles A. Colton offered a resolution urging on Congress the passage of such legislation as would give the country an adequate banking and currency system. Following is the resolution:

"Resolved, That the Boston Credit Men's Association believes that our present banking and currency laws are antiquated and unsatisfactory, and that there is imperative need for banking reform.

"Resolved, That Congress be respectfully urged to consider banking and currency legislation during the first days of the special session, and that action be taken in that session for the passage of such legislation as will give the country an adequate banking and currency system.

"Resolved, That a copy of this resolution be forwarded by our secretary to the President, to the senators and representatives in Congress from Massachusetts, and to Honorable Carter A. Glass, of the House Banking and Currency Committee."

Buffalo.

Edward T. Williams, Industrial Commissioner at Niagara Falls, and C. A. S. Howlett of the General Electric Company of Schenectady and a member of the executive committee of the National Sales Man-

agers' Association, were the speakers at the annual meeting of the Buffalo association, held February 19th.

Mr. Williams' subject was "The Industrial Advancement of the Niagara Frontier." He declared that the power developed at Niagara Falls had been of untold value to the nation, and the brains and capital that brought about this development blazed the way for all similar undertakings; that it had lessened the hardships of human labor, aided transportation, illuminated the night hours, and added to the wealth of two nations. He said that the falls had a potentiality of 7,000,000 H. P. and only one-tenth of this, under the British-American treaty, could be used; and that 400,000 H. P. had already been developed. He showed how the development of the falls thus far had brought about industries where immense power is necessary, such, for instance, as those connected with carbide, carborundum, aluminum, and similar products.

He said that one company, the Niagara Falls Power Company, had expended at Niagara Falls nearly \$25,000,000, and that the companies had jointly spent considerably over \$50,000,000. He said that it had been estimated that the reduction in flow thus far made by development of the falls is less than two inches, and lifelong residents of the city declare that there is no change in the appearance of the American Falls and that the bearing of some rocks on the edge of the Horseshoe Falls is caused by the annual recession at the apex.

Mr. Howlett spoke on "Commercial Efficiency." He said that success today is based on a thorough knowledge of the commercial end of business and that the qualities which go to make up a successful salesman are personality, aggressiveness, tact, reliability, and initiative.

The association went on record as in favor of a bill now before the legislature making it a felony knowingly to give a check on a bank in which there are insufficient funds to meet the check.

Denver.

President Salisbury and Secretary Tregoe of the National Association were guests of the Denver Credit Men's Association February 7th.

What President Salisbury impressed upon the meeting was that with all that has been accomplished in securing better credit conditions since the Association was formed, only the smallest fraction of that which demands the attention of credit men has been done; that every man should prepare himself to assist in the broad activities of the Association. He said that the older men had laid the foundations well but that they must soon give way to younger men, and their immediate duty is to educate those who are to become their successors in order that they may do better and bigger work than has yet been more than conceived of. "What education," Mr. Salisbury asked, "have the older credit men of today had?" The answer is, "Practically nothing except hard experience and hard knocks, an education in the school of adversity, the school of competition, where it was taught that men owe to their particular business house the duty of taking advantage of other houses operating in the same business field."

He said that there is no gainsaying the righteousness of that fundamental thing in the bankruptcy act, equality among creditors. The principle that the assets of a merchant are really in his trust for the benefit of all creditors should apply to business transactions whether a man in condition of embarrassment is seeking settlement in or out of the bankrupt court. He declared that the keystone in all work of the credit man is honesty among credit men and confidence in the good intentions of

other credit grantors; that he had failed to see an occasion when the fair treatment of every other by each credit man had not returned much more than dishonesty or unfair treatment would have brought.

Secretary Tregoe spoke of the opportunity that credit grantors have through participation in the work of the National Association of Credit Men. He said that in no one will dry-rot sooner begin than in the man who allows himself to be so burdened by the cares of his own business as to be unable to arise to the broader opportunities presented by just such an organization as this; that it ought to be the ambition of every man in the credit world to make his the greatest organization in the world, that a man should live not alone in his business, not alone in his city, not alone even in his state, but see beyond his immediate territorial limits, recognize the affairs of the nation, the trend of the times, and through united effort with other men in such a way as the Association offers, influence this trend of the times into safe directions.

Mr. Tregoe pleaded for high principles in credit granting, for honesty in business life, not because it is policy, but on grounds of principle. He declared that gambling in credits is worse than gambling at the table or racetrack because the former assaulted the credit system on which the very life of commerce depends.

Grand Rapids.

The members of the Grand Rapids Association of Credit Men listened to a highly instructive address at their meeting held February 17th, given by Charles William Burrows, president of the National One Cent Letter Postage Association, on the work of his organization in securing a lower rate on first-class postage. He pointed out that the price paid by the public for the distribution of letters during the past year was about \$172,000,000 and for the distribution of periodicals and newspapers \$9,399,000, yet second-class in bulk was five times as much as first-class. Considering the letters by themselves, they could be dispatched at a profit of one cent on each ounce, and this, he said, was simply making millionaires of the publishers, in many cases, of worthless, scandal-mongering magazines and yellow papers. He declared that people forget that while the present system develops new periodicals at the rate of ten per day, it means a starving process for the book publishers; that, while there were four thousand booksellers in the United States twenty years ago, there are but fifteen hundred today, yet no one will deny that the book publishers do more for the culture of the country than do all the magazine publishers.

But, he said, apart from this, the doctrine of his association is that every man should pay for what he gets, with special privilege to none and with justice to literature and culture.

Following Mr. Burrows' talk, different members of the association told what saving would accrue to their concerns if first-class letter postage was made simply to carry the cost of this department. Postmaster Palmer said that the saving in Grand Rapids would approximate \$115,000 per year at the present rate of mail use.

The postmaster also spoke on the parcels post system. He advocated the raising of the weight limit in parcels post to compete throughout with express, the allowing of mailing of parcels at post boxes, the differentiation in the colors of stamps of different denominations. He showed how the parcels post law metes out justice and advantages to the local merchants against the large town mailing houses by offering them a cheaper rate.

Jacksonville.

At the annual meeting of the Jacksonville Association of Credit Men, held March 3d, John S. Bond, of Bond & Bours Co., was elected president; F. W. King, of F. W. King & Co., vice-president, and J. W. Pettyjohn, of the Covington Co., secretary and treasurer. There was an excellent attendance, much interest and enthusiasm, and it was generally agreed that the association should be brought up at the earliest possible moment to a membership of at least fifty.

Kansas City.

At the February 12th luncheon of the Kansas City Association of Credit Men there were thirty-five members present to discuss the bulk sales measure now before the Missouri legislature, and to determine upon methods of further promoting its passage.

The chairman of the Legislative Committee said that while there were still obstacles to overcome, the prospect for passage of the bill was never more favorable. He pleaded for liberal contributions for continuing the campaign at high pressure.

The Membership Committee reported that it had adopted the slogan of "One hundred new members by the end of the association year." The committee reported that two sets of prizes, or rather awards, for specially loyal service had been determined upon, one of which would be an appointment to the delegation from Kansas City for the annual convention to be held in Cincinnati in June, with all expenses paid.

The committee said that an excellent start had been made and seventeen new names had been added to the list during the month.

Newark.

The members of the Newark Association of Credit Men enjoyed an illustrated lecture February 18th on "Abraham Lincoln," given by Henry R. Rose. He said that the three greatest men in American history are Washington, Lincoln, and Franklin, that Lincoln was no miracle, no accident, but simply the result of the application of energy, perseverance and common-sense, plus honesty and sympathy for his fellow humans. Without educational advantages, Lincoln realized his disadvantage and seeing the coming competition, prepared to meet it.

Frederick P. Crane addressed the meeting on membership matters, urging all to help in bringing the association up to a grand total in membership superior to that presented by Newark at the Boston convention.

New Orleans.

At the annual meeting of the New Orleans Association of Credit Men, held February 20th, Walter S. Lewis, a leading member of the New Orleans bar, spoke on "Remedy for Legal Delays." He cited several ways in which the last legislature had helped to eliminate legal delays, among them being the giving of larger latitude to the municipal court by increasing the money limit involved in litigation to three hundred dollars. He expressed the feeling that if it were practicable for credit men to cover open accounts with promissory notes, it would be easier for them to prove their contentions and thus one cause of delays would be eliminated.

Another speaker was Ivy Kittredge, who urged that there be closer personal contact between the credit grantor and his customers. He said there is needless ignorance of the personnel of our customers; that

laws should be passed making it necessary for persons doing business to state the personnel of the company, requiring the information to be given on stationery, or the signs, or even on the license when it was issued.

Another speaker was Postmaster Leonhardt of New Orleans, who spoke on "The Parcels Post"; also G. W. Doonan of the Bureau of Foreign Commerce, Department of Labor and Commerce.

Norfolk.

At the noonday luncheon of the Norfolk association held February 18th, Braden Vandeventer, president of the Public Welfare League, made a stirring address on the duty of business men to take part in the work of governing themselves. He said that there were twelve thousand to fifteen thousand citizens of Norfolk who could qualify to vote, yet of this number only seventy-five hundred actually paid their poll tax and voted, and in normal elections only about forty-five hundred took advantage of their franchise, so that the control of the city's government is in the hands of a little more than twenty-three hundred men. He declared it is up to the business men of the city to remedy this condition of affairs, for out of seventy-five hundred citizens who could qualify but have not, are many business men called the best citizens of Norfolk.

President Barbee, speaking on Mr. Vandeventer's talk, said that in his own office there were five young men who could qualify to vote but who had never done so, which seemed to indicate the seriousness of Mr. Vandeventer's argument.

Pittsburgh.

The Pittsburgh association had a gala time at its annual dinner "in honor of our ladies," held February 20th. Perhaps the most appropriate number on the program was a real golden wedding celebration given Colonel and Mrs. Daniel Ashworth, who were guests of honor. James E. Porter officiated, presenting a beautiful memento of the occasion. Colonel Ashworth replied eloquently, telling briefly of some of the changes that have taken place since he and Mrs. Ashworth were wedded.

After the banquet was served, there was staged "A Trip to Boston from Norfolk, Virginia, on the Steamer Howard," in commemoration of the voyage made by the Pittsburgh delegates to the Boston convention. L. C. Sadd was lecturer, aided by G. C. Reiter, who presented stereopticon pictures of the events of the voyage. There was also a minstrel show staged on the boat, under the direction of Capt. L. C. Voss and R. P. Simons. Robert G. Mattern impersonated President Rauh and made the hit of the evening. There were also impersonations of Mayor Magee and many others who had appeared from time to time before the association at its noonday luncheons.

Among the guests was Governor John K. Tener, who had come on from Harrisburgh to take part in the gridiron dinner. His appearance was the signal for an ovation, the entire audience standing and cheering for several minutes. He was presented by President Rauh who said that the credit men of the city were ardent admirers of the Governor and in reply, the Governor said that he had come to pay tribute to Mr. Rauh who had done so much to build up the Pittsburgh association and also to give tribute to an association which had come to be one of the stable institutions of the state.

At the meeting of the Pittsburgh association held February 28th, T. D. Harman, president of the Pittsburgh Publicity Association, was the principal speaker. He praised the newspaper work done in Pittsburgh and pointed out the relationship between good will, an important asset in every concern, and advertising. He said that the greatest factor in making it possible for one man to outstrip his competitors in business is intelligent publicity, that advertising is one of the keynotes of success, a silent partner that never tires, the greatest guarantee that a business will be handed down to the third and fourth generation. It is the thing, he said, which makes the name and good will of a man or a firm an asset that can honestly be put into an inventory and realized upon when an estate is administered. Publicity, he said, would do more to interest a man's children and grandchildren in a business than all other agencies combined, and the man who prospers without it confines his assets rather to his bank account than to potential possibilities.

He said that one of the greatest legacies a man can give his boy is to put him in a business which for years has been intelligently advertised, and as a result of which, a reputation has been established for large and fair dealing.

Portland.

There were one hundred and fifty members present at the meeting of the Portland Association of Credit Men held February 20th to hear the talk on methods of improving mercantile agency service. Invited guests who took part in the discussion were William Young of R. G. Dun & Company, W. P. Wenke of the Bradstreet Company, both of Portland; B. W. Robinson of the R. G. Dun & Company's Seattle office, and W. H. Butt of the same company's Tacoma office.

Several members spoke briefly, having been requested to do so by Chairman Shull of the Mercantile Agencies Committee, who had several days before the meeting sent notices asking every man who had ideas for the improvement of mercantile agency service to bring them out at the February meeting of the association.

At the meeting of the Portland Association of Credit Men held March 5th, E. M. Underwood spoke on the fire traps of Portland, some of them in the very heart of the city, constituting a menace and disgrace to the community.

Many pictures of conditions were presented on the screen. Mr. Underwood had taken these pictures in his work as chairman of the fire insurance committee of the Portland association. They showed heaps of inflammable rubbish behind wooden buildings, alleys filled with paper and decaying wood, and filthy holes that constitute a menace to health. He spoke particularly of the vacant lots filled with rubbish, cans, boxes, brush, barrel hoops and a hundred and one varieties of trash which always accumulate rapidly during the winter months. Mr. Underwood said that in the effort for civic cleanliness and safety we must insist upon individual responsibility; that the city will be just as clean, just as moral, just as good, as its individuals.

There was also a talk by W. G. Williams, who spoke on "Fire Waste from the Standpoint of Insurers."

Salt Lake City.

At the February luncheon of the Utah Association of Credit Men, George V. Lawry, local district secretary of the Board of Fire Underwriters, spoke on "Methods of Making Fire Insurance Rates." Mr. Lawry went carefully into the items that enter into the making of fire insurance rates and suggested improvements in water supply, fire-fighting equipments, and regulations as to building construction which would materially reduce the rates now prevailing in Salt Lake City.

Mr. Lawry, at the special request of the members, consented to deliver an address on the same subject to the members of the Utah association residing in Ogden.

San Antonio.

D. J. Straus of the San Antonio Association of Credit Men presided at the meeting held February 12th called for the purpose of discussing the fire insurance rates of the city. The principal speaker was Jake Wolff, who has devoted a large amount of time in the last several months to an endeavor to secure a lower insurance rate for San Antonio. One of the requirements was to secure statements from all agents in the city giving the amount of premiums and losses paid.

Following this report, the association purposes continuing its work until the city secures the same rate which the people in Beaumont, Houston, and other Texas cities are paying.

A. H. Halff, another member of the association, spoke on this subject and was followed by representatives of insurance companies who had been invited to be present.

At the luncheon of the San Antonio Association of Credit Men held February 26th, John B. Carrington discussed various methods of advertising, pointing out the advantage to both jobbers and retail merchants in the use of the newspaper for broad publicity. He advocated an official organ for the jobbers and stated that the wholesalers of Houston, Dallas, and other Texas cities have monthly journals which San Antonio would do well to imitate.

R. T. Pruitt discussed the peddler car nuisance, declaring that unless peddlers are prohibited from selling their goods from the cars, it will be but a few years before the commission men of Texas are put out of business, for peddlers can undersell the regular merchants, who are carrying charges fixed by the state and municipality which itinerants are not loaded with.

It was voted to join with other interests of the city in an appeal to the Texas Railroad Commission against the system of peddling merchandise from cars.

Seattle.

The February meeting of the Seattle Association of Credit Men was in charge of the fire insurance committee, which made a report calling for the adoption of text-books in the public schools looking to the education of children in the necessity of fire protection, asking for better inspection of fire risks, and demanding a well equipped state fire marshal department. Chairman O. L. Wood pointed out that Seattle's fire loss is considerably in excess of the average per capita loss of the country and that something was wrong when this condition prevailed in a city so new as Seattle. The fire chief of the city declared that evidence was

being accumulated indicating that some members of the so-called arson syndicate of the country had been actively at work in Seattle. George Main, a leading fire adjuster, pointed out that the average profit of the fire underwriters for the last ten years had not been more than two and five-eighths per cent., which indicated that the fire rates could not be reduced until fire losses had been cut into reasonable dimensions.

Another speaker called for competent inspection under the direction of the city's fire department, it being pointed out that under the present ordinances, the department of extinguishment could not do effective inspection work.

Answering that part of Mr. Wood's report calling for the appointment of a fire marshal, the state insurance commissioner expressed his confidence in the value of such department and promised to do his best to create a department which would be efficient. He said, however, that work for protection and prevention was, to a large extent, offset because the insurance companies were accepting risks through their agents, not only in Seattle but all through the state, larger than are warranted by the property insured, which but gave an incentive to incendiarism.

The meeting was presided over by E. G. Anderson, president of the Western Dry Goods Company, who, in summing up the statements of the speakers, declared that it is evident that new methods will have to be adopted before the fire losses of the country can be materially diminished.

St. Louis.

The St. Louis Association of Credit Men held a meeting jointly with the St. Louis Engineers' Club, the St. Louis Architectural Club, and the St. Louis chapter of the American Institute of Architects on February 17th to urge forward the fire prevention propaganda. The principal speakers were Franklin H. Wentworth, secretary of the National Fire Protection Association, who spoke on "Fire Prevention"; James E. Black of Wertheimer-Swartz Shoe Company, whose subject was "Fire Insurance Essential to Credit"; and James A. Waterworth of the Missouri Actuarial Bureau, who spoke on "Schedule Rating As an Aid to Fire Prevention."

St. Paul.

The St. Paul Association of Credit Men held its eighteenth annual meeting February 12th to celebrate the growth of the association and to review the association's accomplishments. Among the speakers were James J. Hill, chairman of the board of the Great Northern Railway; C. D. MacLaren, one of the pioneer workers in the St. Paul association, H. K. Huntoon, and James McKibben.

Mr. Hill's subject was "The Use and Abuse of Credit."

Mr. MacLaren spoke on "The Credit Man as a Business Builder," Mr. Huntoon on "The Work of Our Association," and Mr. McKibben on "What We Expect of Our Credit Men."

Interesting was the address of Theodore Schumaier, first president of the association, who told about the difficulties met in bringing the credit men of the city together. Dr. George E. Vincent, president of the University of Minnesota, was also present and spoke on "Lincoln as the Ideal of an Educated Man." He said that there was a vital message in the career of Lincoln for this generation and urged men to conduct their affairs in the light of a sound, not maudlin, sentiment.

Syracuse.

Three officers of the National Association of Credit Men addressed the meeting of the Syracuse association held February 25th, Secretary J. H. Tregoe, First Vice-President Charles E. Meek of New York, and Director Ira S. Kingsbury of Rochester.

Mr. Meek spoke on the educational work being carried on by the various local associations; Mr. Kingsbury on the operations of collection agencies, and Mr. Tregoe on general business conditions and the results of credit co-operation.

Tacoma.

Judge Ernest M. Card, of the state court was the guest of the Tacoma Association of Credit Men at its meeting February 18th and spoke regarding the relation of the courts to failing merchants. His talk followed a report by the adjustment bureau department which indicated the growth in confidence which the members had in their association's adjustment work for in the year 1908 only nine cases were referred to it for adjustment and during 1911 and 1912, thirty-five cases each. President Weer then announced the committee appointments for the coming year and presented a list of eligible members which each person was requested to make note of in order to bring about a largely increased membership.

Utica.

At the meeting of the Utica Association of Credit Men held February 24th, Secretary Tregoe of the National Association in a brief address compared the problems which the credit man faced before the formation of the National Association of Credit Men with those which he is facing today. He said that it was scarcely possible for a man who has had his training in credits in these latter days to understand the border warfare, so to speak, carried on among credit grantors formerly, that form of stealing, for it was nothing more nor less, in the unloading of undesirable customers on the other credit grantor with the hope that thereby the old accounts might be paid off through the newer accounts.

H. R. Jones, chairman of the committee on mercantile agencies, gave an illustrated report in which he brought out the weak spots in the present mercantile agency system. He said that his purpose was not to depreciate the agencies but to get the co-operation of business men in correcting faults; that rarely is the amount of insurance carried by a man who seeks credit given. Again and again, he declared, reports given by the two principal agencies on the same man are widely different and confusing, and to prove his contention gave illustrations of reports on identical parties, one of which at least must be wrong because they differ so materially. He gave illustrations also showing how the lack of asset and liability tables greatly hamper a credit man when he uses the reports.

President Dobson spoke briefly on the plans to secure banking and currency reform and suggested that a committee be appointed to draw up resolutions for presentation to Congress urging the importance of this question.

Youngstown.

E. R. Lowry of the John H. Fitch Company addressed his association February 5th on "Methods of Gathering Credit Information." He said that the foundation of all credit department work is the financial statement and that a new buyer wishing to open an account readily furnished the financial statement because he is anxious to secure a bill

of goods, but he often becomes angered when asked for a statement after his order has been filed and quite frequently cancelled same as a result.

Mr. Lowry also told how best to use the commercial agencies, banks, newspapers, and one's friends as reliable sources of information. He said that the commercial agency does not always do a man justice, but this is oftentimes the fault of the man because he suppresses information necessary upon which to base a report.

Secretary McKain spoke on the recent decision of Federal Judge Day in which it was found that a bankrupt was not entitled to exemptions and discharge unless he had properly accounted for his assets.

F. H. Randel of the American Stove Company of Cleveland was the speaker at the meeting of the Youngstown Association of Credit Men held February 20th, his subject being "Unjust Deductions and Discounts." In the evening of the same day, Mr. Randel addressed the Y. M. C. A. course on credit management on the subject of "Collections and Adjustments."

Wants

CREDIT MAN, EXPERT ACCOUNTANT AND OFFICE MANAGER is open for a position. Able executive, efficient correspondent, energetic and resourceful. Age 36, married, best of health, Christian, and total abstainer. Fifteen years with a prominent firm in entire charge of accounting and credits. Has handled successfully a large number of accounts; also competent to handle all details of an office, a thorough accountant and hard worker. A change is desired for the best of reasons. Prefer Ohio or surrounding states; however, location is immaterial if suitable opportunity exists. If you are looking for a high-grade, reliable man in whom you can place the utmost confidence, communicate with Accountant, care National Association of Credit Men, 41 Park Row, New York City.

ATTENTION! If you are in need of a credit man or experienced manager who is in touch with the middle-western states, write me. At present, handling credits and office force, but formerly covered several states as manager of Chicago office, directing selling forces, etc. Understand accounting. Was five years with Chicago manufacturing company, nine years with Chicago wholesale office for eastern concern, six years with present company. Age 39. Salary about \$3,000, or a salary and commission. Address C. S. S., care National Association of Credit Men, 41 Park Row, New York City.

I HAVE HAD TWELVE YEARS' EXPERIENCE AS PURCHASING AGENT for large manufacturing concerns, capable of handling store room, shippers and ledger men. I am 42 years old and employed at present. Address S. D. C., care National Association of Credit Men, 41 Park Row, New York City.

WANTED—Auditor and correspondent. One who is thoroughly posted on latest methods. Address O. M., care National Association of Credit Men, 41 Park Row, New York City.

POSITION DESIRED by an active and progressive man of upwards of twenty years' experience as credit and collection manager, accountant, and department manager. Now filling similar position, as well as that of secretary, in a large manufacturing establishment, but for reason which will be satisfactorily explained, a change is desirable. Satisfactory references from company with which he is connected at present and with whom he has been for twenty years. Is not seeking for official position, but one in department where his experience, knowledge, and executive ability may find widest scope. Can take up new duties promptly and can visit anyone interested for personal interview. Address R. T. W., care National Association of Credit Men, 41 Park Row, New York City.

DURING A CONNECTION OF MANY YEARS with one of the largest manufacturers of the United States, I have put their credit department, as well as their accounting branches, on a basis of highest efficiency. Results have enabled me to desire a field where my qualifications will have the widest scope for demonstration. Any offer of such opportunity should be addressed to F. A. Sarg, care National Association of Credit Men, 41 Park Row, New York City.

A YOUNG MAN, trained in the credit, statistical, and sales departments of a Wall Street banking house, desires connection with wholesale house or commercial bank, as credit man or assistant. Address A. D. A., care National Association of Credit Men, 41 Park Row, New York City.

CREDIT MAN AND SALES MANAGER, now connected with Twin City house, wishes to go to Pacific Coast, preferring Spokane, Portland, or Seattle. Experienced in various lines of merchandise. Highest commercial and bank credentials. Address A. E. B., care National Association of Credit Men, 41 Park Row, New York City.

WANTED—Position in office of manufacturing concern as general office and sales manager. Have been very successful in handling credits, collections, traffic, purchasing, sales, advertising, and the many other small details of office work; I am confident that I can make myself valuable to any one needing an all-around man. I can furnish first-class references to prove my ability, character, etc. Am 34 years of age and married. Have been with present employer about fourteen years, hold a good position, but desire to make change where opportunities are greater for advancement. Prefer implement business in southern states but will consider other lines. If you expect to need a man of my qualifications, let me hear from you. Address M. D., care National Association of Credit Men, 41 Park Row, New York City.

A YOUNG MAN, 25, with eight years' training in bank and mercantile credits, two years as assistant manager of the credit department of a Wall Street banking house and at present assistant credit man of a wholesale dry goods concern, thoroughly conversant with all matters pertaining to credits and collections, experienced correspondent; possessing initiative and executive ability, desires connection with concern which can offer good prospects. Highest references and credentials. No objection to leaving New York. Address A. B. H., care National Association of Credit Men, 41 Park Row, New York City.

FIRST-CLASS ACCOUNTANT, who could combine the duties of an accountant with those of a credit man, desires to make change by the first of May if possible. Has been with one concern for eight years, is 36 years of age and married. Very best of reasons for wishing to make change. Prefers to go outside of New York City. Address V. G. F., care National Association of Credit Men, 41 Park Row, New York City.

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- MINNEAPOLIS, MINN.—Minneapolis Association of Credit Men. President, R. W. Kimball, Deere-Webber Co.; Secretary, M. C. Badger, T. W. Stevenson Co.
- MONTGOMERY, ALA.—Montgomery Association of Credit Men. President, S. J. Winter, Winter-Loeb Grocery Co.; Secretary, Charles D. Tallman, Commercial Fertilizer Co.; Asst. Secretary, J. M. Holloway, Bell Bldg.
- NASHVILLE, TENN.—Nashville Credit Men's Association. President, H. T. Hill, Gray & Dudley Hdwe. Co.; Secretary, Chas. H. Warwick, 804 Stahlman Bldg.
- NEWARK, N. J.—Newark Association of Credit Men. President, Irving C. Brown, L. Bamberger & Co.; Secretary, J. Fred Braun, J. J. Hockenjos Co.
- NEW CASTLE, PA.—New Castle Association of Credit Men. President, W. F. Moody, G. W. Moody & Son; Secretary, Roy M. Jamison, 509 Greer Block.
- NEW ORLEANS, LA.—New Orleans Credit Men's Association. President, A. C. Carpenter, Gulf Bag Co.; Secretary, T. J. Bartlette, Williams, Richardson & Co., Ltd.
- NEW YORK, N. Y.—The New York Credit Men's Association. President, George H. Williams, H. A. Caesar & Co.; Secretary, A. H. Alexander, 320 Broadway.
- NORFOLK, VA.—Norfolk Association of Credit Men. President, H. G. Barbee, Harris, Woodson, Barbee Co.; Secretary, C. L. Whichard, Whichard Brothers Co.
- OKLAHOMA CITY, OKLA.—Oklahoma City Credit Men's Association. President, Fred B. Miller, Acme Milling Co.; Secretary, K. P. Gordon, 1217 Colcord Bldg.
- OMAHA, NEB.—The Omaha Association of Credit Men. President, W. F. Norman, Fairbanks-Morse & Co.; Secretary, E. G. Jones, Credit Clearing House.
- PEORIA, ILL.—Peoria Association of Credit Men. President, J. R. Binford, Keystone Steel & Wire Co.; Secretary, J. W. Atkins, Kingman Plow Co.
- PHILADELPHIA, PA.—Philadelphia Association of Credit Men. President, Chas. D. Joyce, The A. Colburn Co.; Secretary, J. A. McKee, Jr., Room 801, 1011 Chestnut St.
- PITTSBURGH, PA.—Pittsburgh Association of Credit Men. President, Enoch Rauh, Rauh Bros. & Co.; Secretary, A. C. Ellis, Renshaw Bldg.; Assistant Secretaries, A. C. Bunce, Renshaw Bldg., and Roy D. Schooley, Pittsburgh Chronicle Telegraph.
- PORTLAND, ORE.—Portland Association of Credit Men. President, B. K. Knapp, 777 First St.; Secretary, C. R. Miller, Portland Gas & Coke Co.
- PROVIDENCE, R. I.—Providence Association of Credit Men. President, W. B. Ayer, Belcher & Loomis Hardware Co.; Secretary, Irving F. Orr, Clason Architectural Metal Works.
- PUEBLO, COLO.—Pueblo Association of Credit Men. President, T. Barbrick, A. McClelland M. I. & R. Co.; Secretary, I. W. Veasey, Brinkley-Douglas Fruit Co.
- RICHMOND, VA.—Richmond Credit Men's Association. President, John S. Harwood, Harwood Bros.; Secretary, Jo. Lane Stern, 905 Travelers Insurance Bldg.
- ROANOKE, VA.—Roanoke Association of Credit Men. President, S. H. Coleman, F. B. Thomas & Co.; Secretary, P. H. Trout, Moir & Trout, Inc.
- ROCHESTER, N. Y.—The Rochester Credit Men's Association. President, J. W. Fulreader, James Cunningham Son & Co.; Secretary, Edward Weter, Yawman & Erbe Mfg. Co.
- ST. JOSEPH, MO.—St. Joseph Credit Men's Association. President, T. E. Moss, American Sash & Door Co.; Secretary, L. H. Smith, Hax-Smith Furniture Co.
- ST. LOUIS, MO.—The St. Louis Association of Credit Men. President, W. B. Munroe, Simmons Hdwe. Co.; Secretary, C. P. Welsh, 303 Security Bldg.
- ST. PAUL, MINN.—St. Paul Association of Credit Men. President, Z. H. Thomas, Guiterman Bros.; Secretary, H. W. Parker, Merchants Nat'l Bank; Asst. Secretary, Wm. D. Fritz, St. Paul Rubber Co.
- SALT LAKE CITY, UTAH.—The Utah Association of Credit Men. President, Arthur Parsons, Z. C. M. I.; Secretary, P. L. Doran, Symms Utah Grocer Co.; Asst. Secretary, Walter Wright, P. O. Box 886.
- SAN ANTONIO, TEX.—San Antonio Association of Credit Men. President, D. J. Straus, L. Frank Saddlery Co.; Secretary, George T. Allensworth, Allensworth-Carnahan Co.; Asst. Secretary, Henry A. Hirshberg, Chamber of Commerce.
- SAN DIEGO, CAL.—The Credit Association of San Diego. President, E. Y. Barnes, Doyle-Barnes Co.; Secretary, G. F. Hoff, 403-4 Union Bldg.
- SAN FRANCISCO, CAL.—San Francisco Credit Men's Association. President, Max Cohn, Zellerbach Paper Co.; Secretary, Ben Armer, 499 Monadnock Bldg.
- SAVANNAH, GA.—Savannah Credit Men's Association. President, Marvin O'Neal, H. S. Meinhard & Bro.; Secretary, W. R. Finegan, 219 38th St., E.
- SCRANTON, PA.—Scranton Association of Credit Men. President, M. M. Bennett, The Pierce Company; Secretary, Burton L. Harris, 31 Lackawanna Ave.
- SEATTLE, WASH.—Seattle Merchants and Credit Men's Association. President, E. G. Anderson, Western Dry Goods Co.; Secretary, S. T. Hills, Polson Bldg.
- SELMA, ALA.—Selma Association of Credit Men. President, R. H. Agee, R. H. & W. C. Agee; Secretary, R. M. Walters, Tissier Hardware Co.
- SPOKANE, WASH.—Spokane Merchants' Association. President, R. C. Dillingham, Jones & Dillingham Co.; Secretary, J. B. Campbell, 1124 Old National Bank Bldg.
- SPRINGFIELD, MASS.—Springfield Association of Credit Men. President, A. W. Gilbert, Chapman Valve Mfr. Co.; Secretary, L. E. Herrick, Victor Sporting Goods Co.
- SYRACUSE, N. Y.—Syracuse Association of Credit Men. President, Evans S. Kellogg, The City Bank; Asst. Secretary, Robert S. Betterton, 329 University Bldg.
- TACOMA, WASH.—Tacoma Association of Credit Men. President, J. H. Weer, West Coast Grocery Co.; Secretary, J. D. Benner, 802-4 Tacoma Bldg.
- TOLEDO, O.—Toledo Association of Credit Men. President, Daniel Segur, Standart-Simmons Hdwe. Co.; Secretary, Lewis B. Hall, 1226 Nicholas Bldg.
- UTICA, N. Y.—Utica Association of Credit Men. President, A. H. Dobson, Charles Millar & Son Co.; Secretary, Fred W. Wienke, care Charles Millar & Son Co.

WASHINGTON, D. C.—Washington Association of Credit Men. President, Henry H. McKee, National Capital Bank; Secretary, Thomas Grant, Chamber of Commerce.
 WHEELING, W. VA.—Wheeling Association of Credit Men. President, Geo. D. Maxwell, Hicks and Hoge D. G. Co.; Secretary, John Schellhase, Nat'l Exchange Bank Bldg.
 WICHITA, KAN.—Wichita Credit Men's Association. President, Charles Knorr,

Wichita Wholesale Grocery Co.; Secretary, Z. S. Gwaltney, United Electric Co.
 WILMINGTON, N. C.—Wilmington Association of Credit Men. President, M. W. Jacobi, N. Jacobi Hdw. Co.; Secretary, Stuart R. Keyes, Bureau of Credits.
 YOUNGSTOWN, O.—Youngstown Association of Credit Men. President, J. Howard Edwards, The Edwards Co.; Secretary, W. C. McKain, 1106-7 Mahoning National Bank Bldg.

Directory of Adjustment Bureaus.

Bureaus for the adjustment of insolvent estates are operated in the following cities, under the authority and supervision of their local Associations of Credit Men. All are affiliated branches of the National Association of Credit Men. Address all communications on Adjustment Bureau matters to the manager as such.

LOUISVILLE, Ky.—Chas. Fitzgerald, Mgr., United States Trust Co. Building.
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 BALTIMORE, Md.—S. D. Buck, Mgr., 100 Hopkins Place.
 BOISE, Idaho—D. J. A. Dirks, Mgr., 305-306 Idaho Building.
 BUFFALO, N. Y.—Wilbur B. Grandison, Mgr., 904-6 D. S. Morgan Building.
 BUTTE, Mont.—C. E. Alsop, Mgr., Independent Telephone Building.
 CEDAR RAPIDS, Iowa—Thomas B. Powell, Mgr., 702-4 Security Savings Bank Building.
 CHATTANOOGA, Tenn.—J. H. McCallum, Mgr., Hamilton Nat. Bank Bldg.
 CHICAGO, Ill.—M. C. Rasmussen, Mgr., 10 So. La Salle Street.
 CINCINNATI, Ohio—I. M. Freiberg, Mgr., 904-5 Commercial Tribune Building.
 CLEVELAND, Ohio.—505 Chamber of Commerce Building.
 COLUMBIA, S. C.—C. J. Kimball, Mgr., 9 Hook Building.
 COLUMBUS, Ohio—B. G. Watson, Mgr., 411-420 The New First National Bank Building.
 DALLAS, Texas—Edw. B. Williams, Mgr., Edw. B. Williams & Co.
 DENVER, Colo.—C. N. Kinney, Mgr., 409 Sugar Building.
 DES MOINES, Iowa—A. W. Brett, Mgr., 708 Youngman Building.
 DULUTH, Minn.—W. M. Bergin, Mgr., Duluth Jobbers' Credit Bureau, Inc., 621 Manhattan Building.
 EL PASO, Texas—S. W. Daniels, Mgr., 35 City National Bank Building.
 FORT WORTH, Texas—Geo. Q. McGown, Mgr., Reynolds Building.
 GRAND RAPIDS, Mich.—R. J. Cleland, Mgr., 201 Board of Trade Bldg.
 GREEN BAY, Wis.—L. D. Joseph, Cady, Strehton & Joseph.
 INDIANAPOLIS, Ind.—Indianapolis Credit Men's Adjustment Bureau, 403 Commercial Club Building.
 KANSAS CITY, Mo.—Frank W. Yale, Mgr., 315 Dwight Bldg.
 LEXINGTON, Ky.—C. L. Williamson, Mgr., 726 McClelland Building.
 LOS ANGELES, Cal.—F. C. De Lano, Mgr., 600 Equitable Savings Bank Building.
 MILWAUKEE, Wis.—S. Fred. Wetzler, Mgr., 500-501 Free Press Building.
 MINNEAPOLIS, Minn.—J. P. Galbraith, Mgr., 501-508 Endicott Bldg., St. Paul, Minn.
 NASHVILLE, Tenn.—C. H. Warwick, Mgr., 804 Stahlman Building.
 NEW CASTLE, Pa.—Roy M. Jamison, Mgr., 509 Greer Block.
 NEW ORLEANS, La.—W. C. Lovejoy, Superintendent, 607-609 Canal, La Bank Building.
 NORFOLK, Va.—G. Sellman Williams, Mgr., 211-212 Monticello Arcade Building.
 PHILADELPHIA, Pa.—J. A. McKee, Jr., Room 801, 1011 Chestnut Street.
 PITTSBURGH, Pa.—A. C. Ellis, Mgr., Renshaw Building.
 PORTLAND, Ore.—R. L. Sabin, Mgr., Merchants' Protective Association, 7 First Street.
 PUEBLO, Colo.—E. C. Abel, Mgr., 501 Court Street.
 RICHMOND, Va.—Jos. Lane Stern, Secretary, 905 Travelers' Insurance Building.
 ST. JOSEPH, Mo.—St. Joseph Adjustment Co., Inc., John S. Whithinghill, Mgr.
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 SAN DIEGO, Cal.—G. F. Hoff, Mgr., 403-4 Union Building.
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